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ECONOMIC AND INDUSTRIAL AFFAIRS

No. 2099

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On behalf of all of us in FBIS I wish to express appreciation to our readers who have guided our efforts throughout the years.

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

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CONTENTS

BULGARIA

Roundtable Discussion of Economic Crimes (Ivanka Koseva; TRUD, 6 Jan 81)	1
Ways To Reduce High Per Capita Oil Consumption Outlined (Marusya Petrinska; TEKHNIЧЕСКО ДЕЛО, 13 Dec 80)	5
Roundtable Discussion on Increased Wheat Production (Anastas Pundelov, Ventsislav Ganchev; ZEMEDEL'SKO ZNAME, 6 Jan 81)	8

CZECHOSLOVAKIA

Role of Manager in Set of Measures Discussed (Alexej Mydlik, Milan Profant; HOSPODARSKE NOVINY, 14 Nov 80)	13
Key Plan Elements, State and Republic Budgets Published (SBIRKA ZAKONU CSSR, No 45, 1980)	17
Role of Prices in Increasing Economic Performance Viewed (Vlastimil Boura; HOSPODARSKE NOVINY, 5 Dec 80)	31
FRG Commentator Doubts CSSR Reform Implementation (Viktor Meier; FRANKFURTER ALLGEMEINE, 27 Dec 80)	37
SSR Labor Minister Comments on Labor Shortage, Solution (Dezider Krocsany; PRAVDA, 19 Dec 80)	39

GERMAN DEMOCRATIC REPUBLIC

Inland Fishing Industry's Growth, Prospects Reviewed (PRESSE-INFORMATIONEN, 18 Dec 80)	46
---	----

HUNGARY

Briefs	
Sugar Production	49

POLAND

Heavy, Agricultural Machine Industry Plan for 1980 Outlined (Franciszek Adamkiewicz; RADA NARODOWA GOSPODARKA ADMINISTRACJA, Apr 80)	50
Chemical Industry Plan for 1980 Outlined (Henryk Konopacki; RADA NARODOWA GOSPODARKA ADMINISTRACJA, Apr 80)	54
Provisional Three-Month Budget Drawn Up for 1981 (DZIENNIK USTAW, 29 Dec 80)	59

ROMANIA

Increased Income for Agricultural Production Cooperative Members (BULETINUL OFICIAL, 7 Jan 81)	67
Problems in Generalizing Use of Microhydroelectric Power Plants (FLACARA, 29 Jan 81)	68
Briefs	
New Mining Enterprises	71

YUGOSLAVIA

Briefs	
Montenegrin-Albanian Trade	72

ROUNDTABLE DISCUSSION OF ECONOMIC CRIMES

Sofia TRUD in Bulgarian 6 Jan 81 p 2

[Discussion organized by Ivanka Koseva, TRUD correspondent, Vera Tancheva and Georgi Tambuev: "1. Waste Worth Millions...."]

[Text] Meeting-discussion on economic crimes held in Gabrovo:
Who encroaches on the common good with his dirty hands and why;
insufficient control from below and light penalties from above.

We have received many benefits from socialism. It has made us the owners of our socialist property. The constitution proclaims such property sacred and inviolable. However, are we protecting it in accordance with the fundamental law of the Bulgarian People's Republic and the moral norms of behavior in our society? Why is it that many dirty hands stretch in its direction? Why is it that some managers display carelessness and negligence instead of concern for the protection of the property of the state? In 1979 alone the control organs of the National Control System proved malicious damages totaling 324 million leva. Every day, as a result of thefts, acquisitions, negligence, illegal expenditures and bonuses, the national economy loses, more or less, about one million leva. Most likely, the amounts involved in undetected cases are far higher.

What prevents us from uprooting economic crimes from our reality and blocking all big and small channels through which the people's good is wasted? Does the law have many loopholes or is control weak? Is the prosecutor's office shutting its eyes to obvious cases, or is it the courts? Why is it that when things become sticky connections are used and zealous public defenders appear while public prosecutors are virtually absent?

It is with you, dear readers, that we shall be seeking the answers to these and other questions related to economic crimes. As a start, we are offering you today a meeting-discussion held in Gabrovo, organized by TRUD, the Ministry of Internal Affairs and the Gabrovo Okrug Council of the Bulgarian Trade Unions.

The following were present at the meeting: Ivan Kolev, director of State Financial Control; engineer Boyan Dzhordzanov, secretary of the Gabrovo Okrug Trade Unions Council; Dimitur Dimitrov, deputy okrug prosecutor; Nacho Gatev, chief of the economic department of the Gabrovo Okrug Administration of the Ministry of Internal Affairs; Petko Vuzharov and Stoyan Shumkov, from the Gabrovo Okrug Committee for State and People's Control; Khristo Makhlebashiev, deputy director of the Vasil

Kolarov Cotton Textile Combine and chairman of the prevention council; and Petur Slavov, head of a repair brigade at the Georgi Genev Combine and chairman of the People's Control Commission.

Our reason for choosing Gabrovo Okrug is that the people of Gabrovo are famous for their thrift. We wanted to find out how much they cared for the people's good. Even though the experience of Gabrovo Okrug alone was the basis for the discussion, views and thoughts of national significance were exchanged.

The Editors: We know that Bulgaria is one of the countries with the lowest crime rate. This is one of our remarkable moral-political gains. We know that Gabrovo Okrug has a comprehensive program for the struggle against negative phenomena and that its leading and specialized organs have a clear line of action. That is why we would ask of you to conduct your discussion not in the style of submitting reports but of raising questions to draw the attention of our public. Let us begin, for example, with the laws....

Dimitur Dimitrov: A huge number of laws are on the books on the protection of public property. Their mere enumeration would take hours.

Petko Vuzharov: Such a large number of laws, regulations, and ordinances are issued that it is difficult for the people in charge of their execution to absorb them all. Occasionally, pertinent documents do not reach them. Let us take as an example Decree No 43 of the Council of Ministers. Actually, this is a law on the tasks set at the July 1980 BCP Central Committee Plenum. The ministries were asked to help their branches. Our investigation indicated that a high percentage of enterprises did nothing to implement this decree. The superior organizations did not bother even to inform their branches and enterprises of the decree, not to mention its implementation. Council of Ministers Decree No 64 of 10 November 1980 made it incumbent upon managements of ministries, departments and economic organizations to analyze by 15 November the way the branches will fulfill their plans by the end of the year and to earmark specific measures for its implementation. The outcome was the same. Not only did they not help, but they did not even inform enterprise managements of the decree. Therefore the latter are unfamiliar with its content.

Dimitur Dimitrov: We are developing so dynamically that a number of changes are triggered the moment a law is enacted. Council of Ministers Decree No 36, dated 30 July 1979, was supplemented and in some cases amended with 16 other departmental laws. This creates a certain instability. It is my view that a relative stability must prevail in economic relations in order to enable us more realistically to assess the specific control of implementation and grade responsibilities.

Petko Vuzharov: I think that a law must be passed on the classification and distribution of legal documents.

Dimitur Dimitrov: The point is the way we apply the laws. I investigated a settlement system. The deputy chairman in charge of the protection of agricultural property was virtually ignorant of the law. Whenever the question of a violation was raised, his answer was "I am unfamiliar with the existence of such a law!" It looked as though someone should have been concerned with acquainting him with the laws.

Khr. Makhlebashiev: We are asked to observe the laws. Our recommendation, however, is that in the course of the very drafting of such laws they must be properly coordinated with practical activities. Any specific document should be tried in some enterprises and only then applied to the rest of the country.

The Editors: With such a large number of laws, economic crime is nothing but the violation of the laws....

Petko Vuzharov: Yes, any economic crime is related to the violation of a specific law. However, the law is almost always accompanied by a system of social measures aimed at removing the reasons for the commission of a crime.

Dimitur Dimitrov: It is precisely in the implementation of such measures that something is wrong. Instead of preventing a crime, we note its existence and seek the culprits....

Petko Vuzharov: Perhaps this is precisely the reason for which the data at the disposal of the okrug control system, unfortunately, indicate that there is a stable trend in the violation of the laws in the basic economic sectors in the okrug. Substantial harm is caused to the national economy such as waste or neglect of expensive equipment, raw materials and materials, the production of defective goods, the payment of fines and penalties, illegal wage payments, and others.

Ivan Kolev: In the past four to five years alone the control organs of the DDFK [State Financial Control Directorate] have confirmed damages from misappropriations and misuses worth 1.1 million leva. This is not in the least to say that everything has been exposed and proved.

Dimitur Dimitrov: The alarming fact is that we are faced with vast violations of the laws leading to the commission of crimes: transfers of commodity-material values and violations of technological discipline and of standards.

Petko Vuzharov: At the end of 1979 we conducted a mass investigation. We exposed a number of cases of improper protection of expensive equipment and apparatus, materials and raw materials at the Electric Hoist Manufacturing Combine, the okrug marketing and supply base, the Andrey Zhdanov, and others.

Dimitur Dimitrov: Machines and equipment were left in the open and to this day we have been unable to identify their owner. At the Podem plant we discovered a warehouse with materials and equipment worth over 400,000 leva. However, we have been unable to identify their owner or those responsible for them. We are currently faced with a similar case. The automotive combine has abandoned corroding machines and equipment worth 360,000 leva.

The Editors: A great deal has been written and said on the subject of Article 219 of the Penal Code on inadequate care for and poor protection of socialist property. Is this article applied, and if so, how?

Dimitur Dimitrov: It is. In the first nine months of 1980 we instituted 16 cases for crimes of negligence. According to Article 219, we usually prosecute lower-level managers. The penalties are not severe. In order for us to substantiate negligence a given manager must have been given a specific obligation which he has

failed to carry out. The obligation must be factual and accessible. Let us consider the production of a given item. The shop chief may not dare to assume responsibility. He "assigns" it to the deputy director. The latter reports to the general director who, in the final account, makes a decision which turns out to be wrong. Article 219 covers the assumption of responsibility, for which reason we must be careful. There also exists the stipulation of economic risk. The results are the fact that we are faced with extremely dynamic and complex relations.

The Editors: Is it easy for the okrug or any other prosecutor to implement the legal stipulations? Is he subjected to telephone calls such as "he is one of ours," or "he has never done this before?"

Dimitur Dimitrov: The calls we get vary: some are principled talks related to the overall solution of a problem. We have been faced with cases in which, in difficult situations, the manager is forced to assume a production risk. The risk, however, proved to be unjustified. He may have failed to assess some factors. He is guilty, but should we send him to jail for this? Sometimes, even though rarely, some situations cannot be governed by principles. Social relations cannot be measured in kilograms, and sometimes the handling of principles is difficult. We have not had intervention from high places to hinder our work. Interventions are not a determining factor. What is worse is that some among us, protecting themselves, are waiting for someone to intervene so that they may be relieved of having to deal with a specific case. This indicates lack of principles. Such people drop the case and say "I was contacted." This is not in the interest of society. This is personal insurance.

5003

CSO: 2200

WAYS TO REDUCE HIGH PER CAPITA OIL CONSUMPTION OUTLINED

Sofia TEKHNICHESKO DELO in Bulgarian 13 Dec 80 pp 1, 12

[Article by Marusya Petrinska: "'Minimum Energy Spending'--a Criterion in Transport"]

[Text] For 7 years now this criterion has been establishing itself as a strategic as well as a fundamental one, not only for the economy of any country as a whole, but also for the separate branches of its economy. According to the calculations of the experts, the world resources of fossil fuel are 616 billion tons and will meet the needs of mankind for another 100 years only if the consumption is kept at the 1979 level.

Our country consumes yearly 4,800 kilograms of fossil fuel per capita--almost as much as Austria, Japan, France, Romania and more than Italy, Hungary, Poland Yugoslavia, Greece, and Turkey. The analysis shows, however, that while reaching the level of specific energy consumption of a number of industrialized countries, we have not yet reached their efficiency in utilizing the energy resources. The problem of the effective utilization of liquid fuels and electricity is especially important in the field of transportation, because it is one of the main energy consumers and ranks in third or fourth place in energy consumption among the other branches of the economy. Therefore the recently organized scientific and technological conference on this theme was so timely and urgent. It was organized by the TsS of NTS (Central Council of the Scientific-Technical Union), TsR (Central Management) of the Transport Union with the cooperation of DKNTF (State Committee for Scientific and Technical Progress), The Ministry of Transportation and its branches in the Center for Soviet Science and Culture.

In 1979 alone, the system of the Ministry of Transportation saved 19,000 tons of automobile gas and as much auto-kerosene, 31,000 tons of diesel fuel, 17,000 tons of black fuel oil, and over 28 million kWh of electric power. For 3 consecutive years the ministry has been a national leader in the saving of material resources and winner of the banner of TsS of BPS [Central Council of the Bulgarian Trade Unions], TsK of DKMS [Central Committee of the Dimitrov Communist Youth Union], TsS of NTS [Central Council of the Scientific and Technical Union] and MSDR [Ministry of Supply and State Reserves]. Apparently it will fulfill successfully the Seventh Five-Year Plan. The tasks for the next five-year plan are even more complex and important--transportation should achieve a 10-percent decrease in liquid fuels consumption.

The problem of frugal consumption of energy resources is of a complex nature--exploitational, technological, technical, and organizational. This determines the multitude of problems which will have to be solved by the experts in the field of transportation. The first problem that has to be solved is improvement of the structure of the system of transportation from the viewpoint of the energy balance --improvement in transportation within the framework of the unified transport system in connection with the optimal spheres of activity for every kind of transportation under the criterion of "minimum energy consumption." The studies of the experts in the Institute for Complex Transportation Problems show that in 1979 the railway transportation has hauled 70.9 percent of the loads transported in the National Transport System within the country using 30.9 percent of the energy, while the motor transport, correspondingly, accounted for 29.1 percent of the load with 69.1 percent of the energy consumed by the whole system. The analysis of the data shows that, during that year, railway transportation has been 5.46 times more economical than the motor transport. One of the main contributing factors for this is the gradual replacement of the steam engine with diesel and electrical engines. In this way the specific consumption of fossil fuel per 1 t/km load of transportation has decreased from the 1975 level by 41.72 percent. This is why it is necessary to utilize the energy-technological advantages of rail transportation and increase the portion of the railway transportation in the overall volume of transportation. The efforts to double and electrify the railway lines should not be diminished. Here priority shall be given to electrification, rather than diesel engines, because through the use of electricity the low calorie coal, the nuclear energy, and the hydro-energy can be included in the energy balance, and they are the only energy resources our country has. It is expected that in 1985 70 percent of the railroad transportation will be done by electric locomotives, and by 1990 it will exceed 80 percent.

Another important task which transportation workers will have to resolve is the optimizing of the structure of the rolling stock of the means of transportation. A mass switch to diesel engines is necessary in the truck fleet. This could be achieved by replacing gas engines with diesel engines during overhaul. In 1985 the diesel trucks should account for 77 percent of the truck fleet. This will decrease gas consumption by about 23,000 tons annually. The installation of diesel engines on taxi-cabs has already begun, and when the whole program for switching to diesel engines is completed, 10,000 tons of fuel is expected to be saved.

The electric transportation system in the big cities will be given priority during the Eighth Five-Year Plan. Besides Sofia and Plovdiv, where its use will be expanded, it will be introduced in seven other cities in the country. This will also lead to the replacement of the expensive and scarce, in our country and in the world, liquid fuels with electric power. It is expected that the realization of this measure alone will lead to the saving of 20,000 tons of diesel fuel annually.

An important reserve for increasing the effectiveness of the electric railway transportation under the conditions of the sharply changing mountainous profile of our country is the introduction of electric locomotives and electric street cars with recuperative regime. A 12-18 percent economy of electricity is expected from this. In accordance with the general plan for technical specialization

and concentration in the transportation industry, the trend towards an increase of the loading capacity of the cars and trucks will continue, the equipment of the trucks with heavy tonnage trailers will continue too, as well as the increase in the efficiency of the control of fuel consumption.

There is a great potential for the economic use of fuels and energy in the better use of the means of transportation. This is related to the improvement of the transportation itineraries and connections. Of prime importance is to increase the coefficient of the technical readiness of the means of transportation, to decrease runs without a load, and to improve their use in both directions with load. Special attention is to be paid to the loading and unloading time which is still too long.

According to the criterion "minimum energy consumption" water transportation remains the most efficient. That is why the efforts of the experts are aimed at its more intensive development, and for a better utilization of the Danube River. There are a lot of problems in this type of transportation too: efficient use of fuels and lubricants, economic exploitation of the energy systems of the ships, decrease of the specific use of fuel of the main diesel engines of ships by adjusting the dynamic parameters with the use of automatic systems, utilization of the heat of the exhaust gases and the cooling water, more economic use of energy in the ports.

Even though it is the most inefficient from the energy-saving point of view, air transportation is indispensable in our dynamic age. Here too, ways and means are constantly being sought to reduce energy consumption. Optimal regimes of take off, horizontal flight, and landing approach are being selected for the different types of planes, better methods to control the idling of aircraft engines are sought, as well as methods for determining the traffic capacity of the crossing areas of the air corridors through which the flow of planes is regulated, plans for the optimal amount of refueling, ways to decrease the consumption of liquid fuels in operating the machinery at the airports are sought.

The achievements in this respect are not inconsiderable. Yet there are a lot of unsolved problems to face in the future. Undoubtedly, the new economic mechanism will play a major role in overcoming these problems; it will create the possibility for incentives or sanctions for, respectively, saving or over-expenditure of fuels and electric power. And the engineering organizations face the urgent problem of developing and implementing a dynamic system of norms for expenditure of fuels and energy; this system should change and improve on the basis of current scientific and technical achievements. Because we cannot, we simply do not have the right to, ignore not only the efficiency of the economy of our country today, but also those who will live on this earth 100 years from now.

9804

CSO: 2200

BULGARIA

ROUNDTABLE DISCUSSION ON INCREASED WHEAT PRODUCTION

Sofia ZEMEDEL'SKO ZNAME in Bulgarian 6 Jan 81 pp 1-2

[Report by Anastas Pundelov and Ventsislav Ganchev: "The Share and Place of Wheat"]

[Text] Meeting sponsored by the editors: The high objective is 10.5-11 million tons of grain. The attention of practical workers is drawn to the views and recommendations of the scientific collective of the Wheat and Sunflower Institute near General Toshevo.

The increased production of grain and its most effective utilization are the main strategic tasks in agriculture in the Eighth Five-Year Plan. The quantitative indicators for the successful implementation of this task have been defined: the average annual grain production must reach 10.5-11 million tons, averaging 1,200 kg of grain per capita.

The meeting organized at the beginning of December 1980 on the initiative of the editors at the institute near General Toshevo dealt with the problems and tasks to be resolved by practical and scientific workers for the effective utilization of the existing possibilities of achieving this high objective formulated in the BCP Central Committee and Council of Ministers decree on a new upsurge in grain production and its most effective utilization. The meeting was attended by Senior Scientific Associate First Class Todor Rachinski, director of the institute and laureate of the Dimitrov Prize.

Following are the most characteristic conclusions, viewpoints, recommendations, and suggestions expressed at the meeting by the scientific workers.

Present Achievements

The participants in the meeting emphasized that present achievements in wheat production are a firm foundation on which science and practice can successfully build with a view to allowing this crop to assume its due place in resolving the main strategic task of our agriculture in the Eighth Five-Year Plan....

Senior Scientific Associate Todor Rachinski, institute director: The average yields reached in the Seventh Five-Year Plan--over 380 kg of wheat per decare--for the country at large, and our last year's record of 406 kg give us a realistic reason for this conclusion. Furthermore, yields on an area in excess of three million decares in northeastern Bulgaria have already reached the steady level of 500 kg per decare.

ZEMEDEL'SKO ZNAME: However, the task of insuring an average annual yield of 1,200 kg of grain per capita in our country is not resolved even with such achievements. What then?...

Our studies have indicated that virtually all parts of the country provide the necessary conditions for the yields by leading workers, which also average between 450 and 500 kg per decare and, in some cases, reach even 600 kg, to become widespread. Consequently, in the most suitable areas for wheat, where, in fact, the crop has already been established, we must make efforts to reach 440-450 kg of grain per decare. In the typical wheat-growing areas of northeastern Bulgaria, the average must exceed 550 kilograms. In this case, the main thing is to insure the effective use of the achievements of scientific and technical progress. The proper strains and technologies for such achievements are available. The further intensification of wheat production can be achieved by improving such strains and technologies on the basis of domestic and worldwide achievements and by insuring better material and technical supplies, thus actively assisting the practical workers. This, in my view, makes realistic the task of averaging 450 kg of grain per decare of wheat from the nearly eight million decares on which wheat is being currently grown.

The scientific workers who fully supported this standpoint emphasized that the further accelerated intensification of wheat production in areas typical for this crop can be successfully accomplished only with the best possible combination and effective utilization of the factors on which this difficult and complex process is based. In their view, the following must be insured in order to reach the best possible results from such areas:

The establishment of a scientific structure of the areas in crops along with crop rotations which will provide the best conditions for wheat growing;

Quick application of new high-yield and high-grade wheats in suitable proven local conditions. This must become the basis for an effective system for their accelerated testing and multiplication;

With the help of science, use of differentiated technologies which include qualitatively new methods for soil cultivation, organization, and technology. This will make possible the maximal utilization of the biological possibilities of the newly applied strains and the harvesting of crops without grain losses;

The development of a scientific system which will guarantee the most effective utilization of fertilizers and chemical and biological means for the struggle against pests and weeds, and the use of yield-stimulating preparations.

Senior Scientific Associate Todor Rachinski: Actually, the observance of these requirements is a nostrum which enables our leading workers to obtain high yields. Our unanimous belief that their achievements could and should become widespread in the most suitable wheat-growing areas means that the already set up new-type grain production brigades could emulate the already proven leading workers. This will result in the setting of new records.

Application of Unused Reserves!

According to the scientific associates, reserves should be sought above all in expanding the areas in wheat and in certain other grain crops. In their view, this is the proper way toward increasing grain production.

ZEMEDEL'SKO ZNAME: In principle this is correct. However, what are the factual possibilities for increasing the areas in wheat, rye, sorghum and triticale you are suggesting. Where should they be grown and what crops should they replace?

Senior Scientific Associate Boris Klochkov, head of the Technology Section: The area in wheat could be expanded by planting wheat on some part of the land which is now planted in nonirrigated corn, in the flat areas of southern Bulgaria. This applies to Burgas, Yambol, Stara Zagora, Plovdiv and Khaskovo okrugs. Similar possibilities exist in many regions in the western parts of the country where wheat yields more stable crops and greater amounts of less expensive grain compared with corn grown on nonirrigated land.

We can and must produce wheat also in the richer mountainous and semimountainous land at altitudes of up to 700-800 meters. These are our virgin lands for grain growing.

Scientific Associate Panayot Shterev: With the increased growing of wheat in the areas indicated by my colleague Boris Klochkov, no less than 10 million and, I would say, even over 10 million decare could be planted in wheat in the country at large. In my view, this is necessary if we are to reach the average annual output of 10.5-11 million tons of grain as stipulated in the five-year plan. This amount would enable us to satisfy far more completely the comprehensive needs of our state for grain for human consumption.

ZEMEDEL'SKO ZNAME: The use of such reserves, however, involves a number of problems. In the flat areas the question of violating the requirements of scientific crop rotation will arise. Are there suitable strains, technology and machines for growing wheat in semimountainous and mountainous areas? Would the complexes be interested in growing grain on such lands, bearing in mind that yields would be relatively lower while production costs would be higher?

Senior Scientific Associate Todor Rachinski: In the case of the flat areas the problem of strains and of the material incentive of the producers does not exist. We have also developed suitable strains for the higher semimountainous and mountainous areas, such as Ludogorka, Kaliakra-2, and others. The development of a set of strains for these areas could be broadened further through selection and accelerated testing.

Science and practice must determine on the basis of a specific approach which ones and how much of the areas in the higher zones will be planted in wheat, rye, and oats. Naturally, in this case yields and production costs must be the criteria. In these areas as well, however, yields of 250-300 and even over 350 kg of wheat or other grain per decare would not be the limit.

Senior Scientific Associate Stoyan Tsvetkov: There are many areas in the foothills where wheat or other grain could be grown. However, we must develop an overall

program for the conversion from currently neglected to properly cultivated lands through reclamation and by providing the necessary equipment and specialized technologies which will insure their most effective use in grain growing. In this case triticale as well yields very good results--approximately over 400 kg of grain per decare. Therefore, this crop as well must be borne in mind.

Senior Scientific Associate Petko Ivanov: The problem of obtaining maximum high grain crops, mainly wheat, in the higher areas cannot be resolved without the adoption of a qualitatively new approach to enriching soil fertility with the help of a scientific fertilizing system. We must observe the basic requirement of supplying four to five kg of pure nitrogen per decare per 100 kg of grain. This means that these areas must be supplied with the necessary fertilizers in accordance with factual requirements.

Senior Scientific Associate Boris Klochkov: The institute has conducted the proper studies and can provide the practical workers with the specialized technology for the production of grain in higher areas. However, this does not resolve the entire problem. We must provide the necessary material and technical facilities for the development of this technology which, naturally, must be concretized in terms of the individual areas and terrains and be applied with the help of scientific workers and specialists.

Scientific Associate Panayot Shterev: If there is no economic profitability, the managers of agroindustrial complexes will hardly do everything possible and necessary to put to use such areas for the production of wheat or other grain crops. In my view, the problem of increasing material incentive for such production must be given a practical solution in the light of the proper application of the new economic mechanism and of the stipulations of the BCP Central Committee and Council of Ministers decree on a new upsurge in the production of grain and on its effective utilization.

Greater Quantities of Less Expensive Grain!

The participants at the meeting emphasized that the prerequisites for the implementation of this prime requirement must be insured through the further advancement of the organization of labor and the development of brigades of a new type, based on the most effective utilization of the achievements of scientific and technical progress and the proper application of the new economic mechanism.

ZEMEDEL'SKO ZNAME: The cost of wheat grain in our country remains high. Furthermore, it varies greatly among the different okrugs and agroindustrial complexes whose yields are identical. What are the main reasons for this? What is the main point on which the practical workers must focus their attention in order to reduce production costs?

Scientific Associate Panayot Shterev: The differences are due, above all, to the fact that whereas production costs remain the same, average yields vary within a rather broad range. This cannot be explained exclusively in terms of natural and weather conditions. The initial requirement for reducing production costs is the strict application and observance of intracost accounting in the cultivation of this crop. This means that no deviations from approved technological charts or ineffective expenditures must be allowed.

Senior Scientific Associate Boris Klochkov: The cost of soil cultivation for wheat growing is relatively high. However, it could be reduced by a factor of almost 2.5 with the introduction of minimal cultivation. Reserves for reducing grain production costs are also found in direct sowing and the use of optimal sowing norms.

Senior Scientific Associate Khristo Kontev: The struggle for more effective grain growing must be waged through the proper application of plant protection measures, for their elimination under the pretext of reducing expenditures worsens, in some cases, their quality and, thus, lowers the purchase price of the grain, while in others the maximum possible yields are not obtained.

Senior Scientific Associate Petko Ivanov: The cost of fertilizer accounts for about 36 percent of material outlays per ton of produced grain. That is why we must insure maximal results from every leva invested in fertilizers.

Senior Scientific Associate Todor Rachinski: The application of established specialized technologies and requirements will inevitably result not only in higher average yields but in lower production costs as well. In this case the high productive opportunities of the strains are utilized and grain production is not worsened by unnecessary expenditures.

Unquestionably, the viewpoints and recommendations expressed in the meeting make it possible for the practical workers to draw proper conclusions concerning their work in resolving the important problem of increasing wheat production through the utilization of the existing possibilities for insuring the production of more grain from areas and lands currently not used for such purposes.

As the scientific workers emphasized, however, the successful solution of the problem of reaching an average of 1,200 kg of grain per capita in the Eighth Five-Year Plan requires the implementation of a number of organizational, technological, and economic measures. This means the creation of conditions for the extensive and accelerated application of the achievements of scientific and technical progress in this area and strengthened material interest in increasing grain production on the basis of the effective application of the new economic approach. Such are the problems, clearly outlined at the meeting, which we submit to the attention of the managements of the National Agroindustrial Union and the okrug agroindustrial unions, ministries, and departments, which are equally obligated to make their contribution to the successful solution of the strategic problem facing agriculture in the new five-year plan.

5003
CSO: 2200

ROLE OF MANAGER IN SET OF MEASURES DISCUSSED

Prague HOSPODARSKE NOVINY in Slovak 14 Nov 80 p 5

[Article by Alexej Mydlík, ScC, doctor of law, Czechoslovak Research Institute of Labor and Social Affairs in Bratislava, and Milan Profant, doctor of law, Slovnaft national enterprise, Bratislava: "Managers' Responsibility Is Crucial"]

[Text] In the implementation of the Set of Measures for Improving the Planned Management System of National Economy After 1980, the ultimate effect depends to a considerable degree on the subjective factor, in other words, mainly on a higher standard of managing operations and on managers' responsibility.

In this context it is more appropriate now than ever before to examine, first of all, the legal provisions pertaining to managers' responsibility in labor-law relations, in order to determine whether they may become an efficient tool and aid in the implementation of the Set of Measures.

General Principles

In terms of the labor law the responsibility of the managers as well as of other workers is based on general principles of personal accountability which are valid in our labor legislation. Such accountability is based on the principle of offense. The range of managers' responsibility differs in many respects from the range of the responsibility of the rank-and-file workers, primarily due to the different character of the managers' fundamental and other duties. Many more provisions of the labor law and other regulations and ensuing duties apply to the work of the managers than to the work of other employees.

Moreover, the rights and duties accorded to the manager, i.e., the rights and duties which the Labor Code assigns to the organization, stem from the manager's position as executive of the organization.

If the managers are derelict in their duties, for example, if they fail to issue appropriate orders or directives to their subordinates, or if they neglect their duty to provide promptly supplies of materials and tools for their work and to obtain machinery, protective garments, equipment, etc., or if they fail to supervise the compliance with the Set of Measures in the sector of labor safety and health protection, the managers are accountable only if it is within their power to meet such obligations.

As a matter of fact, professional duties may be implemented only during the working process, namely, in the form of managers' instructions and orders.

Every responsibility at the appropriate level of management always depends on the work tasks and on the means for their fulfillment. Thus, nobody, not even the manager, can be legally accountable if he fails to fulfill certain tasks beyond his authority or beyond the means available to him. A manager may be legally accountable solely for dereliction of his duty, or as the case may be, for his intentional violation of his duties, and not because he should or could have worked better within the limits of the opportunities and material tools assigned to him. Naturally, he is responsible for using material funds and not manipulating them in contradiction to valid regulations, even if he has done so in an effort to enable the organization to fulfill its tasks in the best possible way.

Feedback

Furthermore, in this connection we must underline the responsibility of the organization toward its managers in creating proper working conditions enabling them to manage, organize and supervise the work of their subordinates, and at the same time, in creating for them proper working conditions for the due fulfillment of their tasks.

If the organization fails to meet its obligations toward its managers (if it fails to create proper working conditions for them, to equip them with working tools, etc.), then we speak of the responsibility or co-responsibility of the organization and not of the manager.

The responsibility of the organization is practically identical with the responsibility of its managers, in other words, the manager whose duty it is to act in the name of the organization as its executive (statutory, or other), for example, to obtain material funds, to create proper working conditions, etc., may be held accountable.

In terms of the labor law the responsibility of the managers as well as of other workers may be contemplated only if they have committed violations of their rights or duties.

Some offenses of work discipline may lead not only to disciplinary accountability (penalty), but also to administrative or criminal accountability which may be considered if the employee has caused losses.

Managers, however, are not accountable for damages resulting from economic risks, or damages sustained while averting losses threatening the organization or directly endangering life and health.

Obfuscations in Practice

In practice it may be questionable who is responsible--the manager or his subordinate, or both, or another person. The manager cannot be accountable at all times and for all things. If the manager is always accountable for everything, such responsibility is in fact useless, imaginary, and cannot be actually implemented.

The managers should not be held directly responsible for violations of duties by their immediate subordinates, or for the results of their work, but only for violations of professional duties committed by themselves, such as dereliction of control and supervision, failure to issue instructions or orders, failure to create proper working and other conditions, etc. The managers cannot be held accountable for what other persons have caused (for what their subordinates have caused).

If the legal definition of managers' authority (rights and duties) and accountability is to aid in implementing the Set of Measures, then the Labor Code must stipulate not only the managers' fundamental rights and obligations but all other rights and obligations to be observed in the process of management.

The legal regulation valid thus far deals only sporadically with managers' authority. Certain rights of the managers, or of the manager of the organization (his deputy), are stipulated only in exceptional instances. However, a comprehensive regulation of legal rights of the managers in labor-law relations is imperative. The legal regulation of the decision-making processes involving economic risks, which is very much needed, includes a definition of the concept of risk, preconditions and requisites of the decision-making process involving economic risks, and so forth.

As for the authority and legal status of certain categories of managers as state executives, the labor law and other legal regulations have not defined their status and thus, their accountability for their performance in the function of state executives has not been stipulated, specifically, for instance, for the performance of their function as a disciplinary instance, although this particular definition is extremely necessary.

Managers often cannot be held accountable under the terms of the labor law because it does not apply to the performance of a function under the labor contract. Consequently, certain authority, i.e., the rights and duties of some managers, is not derived from the regulations stipulated by the labor law, but rather from the fact that those workers hold certain managing positions. Thus, accordingly, their responsibility is not of a legal, but of a political or cadre character.

Problems occur also in attributing responsibility for violations of duties when the manager acts in the function of an executive. The managers do not perform the function of executives regularly as their exclusive professional activity. Only managers of an organization professionally perform the function of executives, i.e., as the purpose of their work, while other managers perform the function of the so-called other organs, only in addition to their work, or in other words, not as their exclusive duty. Thus far, the legal regulation in force has not specifically defined the responsibility of an executive, except for the responsibility stipulated by the labor law, although that particular regulation is also very much needed.

Among the rights of the manager of an organization is the authority to make decisions, to manage and administer, and to issue instructions and orders as individual acts when implementing the law. A more specific general regulation concerning internal directives and rules for decisionmaking processes within

the organization, however, is lacking. This authority should be granted exclusively to the manager of the organization (his deputy), or to the managing echelon superior to that particular organization (its deputy), and only in exceptional cases to other managers (plant manager, farm manager, chairman of the national committee, chairman of the administration of a housing construction cooperative, etc.).

Furthermore, we have no definition of personal responsibility of the heads of collective organs, such as chairmen of national committees on all levels, chairmen of cooperatives and social organizations, etc., with the exception of production cooperatives.

A similar situation is evident in case of regulations concerning certain basic and other duties of the managers. In fact, duties assigned in the Labor Code to managers often apply to the organization as the subject of labor-law relations, and not directly to managers. This may cause certain problems when determining responsibility, because responsibility of the organization is based on the principle of objective responsibility, while the responsibility of the workers is consistently based on the principle of subjective responsibility for the inflicted damages.

In addition, intercode problems occur when transferring objective responsibility of an organization (for instance, responsibility for defective delivery) to subjective responsibility of an employee, which in some cases means that the organization is almost always held accountable while the employee is hardly ever held accountable.

The current definition of the manager's authority and responsibility should be reviewed and determined in the legislation so that it may help the managers and other employees become flexible in their fulfillment of their professional duties, in other words, in the observation of working and technological discipline and socialist legality in general, and thus, also of quality of work.

9004
CSO: 2400

KEY PLAN ELEMENTS, STATE AND REPUBLIC BUDGETS PUBLISHED

Prague SBIRKA ZAKONU CSSR No 45, 1980 pp 848-861, 1981

[Selected Laws of the CSR, SSR, and CSSR relating to economic development in 1981]

[Excerpts] Laws of the CSSR number 178/1980, 16 December 1980, concerning the state plan for the development of the national economy of the CSSR in 1981.

The Federal Assembly of the CSSR has passed the following law:

Section 1. The fundamental goal of the state plan for the development of the national economy of the CSSR in 1981 (hereafter the "state plan") is to guarantee the further smooth and proportional development of the national economy, primarily by increasing the efficiency and quality of all work and achieving, on this basis, greater quality in the satisfaction of the material and cultural needs of the people and strengthening their social certainties.

Section 2. Paragraph 1. The main objectives of the state plan are:

- a) to achieve a 2.8 percent increase in national income, a major part of which (roughly 93 percent) will be covered by growth in the social productivity of labor;
- b) to assure the planned growth of national income through the corresponding development of individual sectors; to increase, at the same time, industrial production by 2.7 percent, construction work performed by construction organizations by 2.8 percent, and agricultural production by 2.6 percent;
- c) to provide for a further intensification of the tasks of science and research and the concentration of the research and development base on the search for solutions to the critical tasks in the development of the national economy and on raising the technical and economic level of production and the quality of products;
- d) to assure deliveries to consumer goods inventories in such a way as to improve gradually their composition in relation to the requirements of the population;
- e) to achieve a more rapid growth of exports than of imports; to continue to intensify socialist economic integration with the CEMA member states;

f) to assure maximum efficiency in the consumption of raw materials and other inputs, fuel, energy, and propellants, their highest possible valuation in production, and the comprehensive conditions for reducing the energy and materials intensiveness of production;

g) to create the conditions for an increase in the quality, technical sophistication, and operational reliability of products, and for the more consistent introduction of product innovations and of newly demanded products;

h) to direct investment resources in the amount of about Kcs 150 billion to the completion of construction projects and the initiation of the operation of facilities, and to focus these resources on the modernization and reconstruction of selected capital assets and on the assurance of social priorities;

i) to continue in a more consistent manner compensation according to work performance.

Paragraph 2. In order to implement all the objectives of the state plan it is essential to utilize the measures approved for the improvement of the planned management system of the national economy after 1980.

Section 3. The CSSR government, or, based on its authorization, the vice chairman of the CSSR Government and the chairman of the State Planning Commission

a) may, in connection with the preparation of the state plan for the development of the national economy of the CSSR from 1981 to 1985, carry out modifications of the state plan even though these may deviate from the indicators presented in the provisions of Section 2, paragraph 1, letters a) and b),

b) will see to the expression of valuation data for the state plan in wholesale prices valid from 1 January 1981.

Section 4. This law comes in to effect on 1 January 1981.

Signed: Husak; Indra; Strougal.

Laws of the CSSR, number 179/1980, 16 December 1980, concerning the state budget of the Czechoslovak Federation for 1981.

The Federal Assembly of the Czechoslovak Socialist Republic has passed the following law:

Section 1. Paragraph 1.

The overall income of the state budget of the
Federation is established in the amount of..... Kcs 157,605,523,000

The overall expenditures of the state budget of the
Federation are established in the amount of Kcs 157,605,523,000.

An aggregate overview of the state budget of the Czechoslovak federation is contained in the supplement.

Paragraph 2.

The overall expenditures of the state budget of the Federation are composed of the following:

A. Project subsidies to the state budgets of the republics:

- CSR Kcs 32,495,835,000
- SSR Kcs 20,105,059,000,

which may be subdivided into

I. Subsidies for selected investment projects affecting the entire Federation and the further development of the republics:

- CSR Kcs 9,655,000,000
- SSR Kcs 6,582,300,000

II. Subsidies for selected non-investment projects:

- CSR Kcs 22,840,835,000
- SSR Kcs 13,522,759,000.

These include:

a) Subsidies for selected objectives

- CSR Kcs 575,300,000;

b) Subsidies for cooperative housing construction

- CSR Kcs 1,793,000,000
- SSR Kcs 1,500,000,000;

c) Subsidies for individual housing construction

- CSR Kcs 770,000,000
- SSR Kcs 550,000,000;

d) Subsidies for member shares in stabilizing housing construction

- CSR Kcs 110,000,000
- SSR Kcs 130,000,000;

e) Subsidies for state technical development programs

- CSR Kcs 635,245,000
- SSR Kcs 329,189,000;

- f) Selected types of price subsidies and interventions
 - CSR Kcs 17,922,700,000
 - SSR Kcs 10,192,100,000;
- g) Subsidies for economic instruments in foreign trade
 - SSR Kcs 282,800,000;
- h) Subsidies for needs of a military character, including research and development objectives
 - CSR Kcs 810,890,000
 - SSR Kcs 457,670,000;
- i) Subsidies for the professional training of foreign citizens temporarily employed by Czechoslovak organizations
 - CSR Kcs 223,700,000
 - SSR Kcs 81,000,000.
- B. Global Subsidies:
 - CSR Kcs 26,234,165,000
 - SSR Kcs 22,734,941,000.

Section 2.

The CSSR government, or, based on its authorization, the Minister of Finance will see to the expression of the financial data of the state budget of the Federation, as established by this law, in wholesale prices valid until 1 January 1981; at the same time he will assure that the state budgets of the Federation and of the republics are balanced.

Section 3.

The CSSR Government, or, based on its authorization, the minister of finance may modify the binding objectives and limits of the state budget of the Federation, particularly in accordance with changes in the state plan, price changes, organizational changes, modifications of the economic instruments in foreign trade, and to reflect the freeing up of resources from government budget reserves. Such measures may not affect the balanced character of the state budget of the Federation.

Section 4.

This law comes into effect on 1 January 1981.

Signed: Husak; Indra; Strougal.

Supplement to law number 179/1980, Laws of the CSSR

An Aggregate Overview of the State Budget of the Czechoslovak Federation

Income	(in thousands of korunas)
Income from socialist management	157,184,693
Composed of:	
- economic activity	144,465,900
- science and technology	211,470
- monetary and technical services	10,299,965
- social services and activities	317,358
- defense and police	1,890,000
Taxes and fees from the population	65,000
Other income	355,830
TOTAL	157,605,523

Expenditures

Federal organization expenditures on	
- economic activity	27,389,065
- science and technology	3,988,250
- monetary and technical services	2,513,261
- social services and activities for the population	1,744,727
- defense and police	18,384,400
- administration	2,015,820
SUB-TOTAL	56,035,523

Subsidies from state budget of Federation to state budgets of Republics, total	101,570,000
TOTAL	157,605,523.

Law 182 of the Czech National Council, 17 December 1980, concerning the state plan for the development of the national economy of the CSR in 1981.

The Czech National Council has passed the following law:

Section 1.

The fundamental goal of the state plan for the development of the national economy of the CSR in 1981 (hereafter the "state plan for the republic") is to guarantee

the further smooth and proportional development of the national economy, above all by increasing the efficiency and quality of all work and achieving, on this basis, greater quality in the satisfaction of the material and cultural needs of the people and a strengthening of their social certainties.

Paragraph 1.

The main objectives of the state plan for the republic are:

- a) to achieve an increase of 2.2 percent in the national income of the CSR, covering most of this increase (94.6 percent) through growth in the social productivity of labor;
- b) to assure the planned increase of national income through the corresponding development of individual sectors; to increase, at the same time, industrial production by 1.9 percent, construction output by 3.1 percent, and agricultural production by 1.9 percent in sectors managed by the government of the CSR,
- c) to assure a further intensification of the tasks of science and research and the concentration of the research and development base on the search for solutions to the critical tasks in the development of the national economy and on raising the technical and economic level of production and the quality of products;
- d) to assure deliveries to consumer goods inventories in such a way as to improve gradually their composition in relation to the requirements of the population;
- e) to assure export deliveries in such a way as to contribute in maximum fashion to the covering of import needs; to intensify socialist economic integration with the member countries of the CECA with the active participation of agencies of the CSR;
- f) to assure maximum efficiency in the consumption of raw materials and other inputs, fuel, energy, and propellants, their highest possible valuation in production, and the comprehensive conditions for reducing the energy and materials intensiveness of production;
- g) to create the conditions for a more consistent increase in the quality, technical sophistication, and operational reliability of products, and for more product innovations and increased introduction of newly demanded products;
- h) to direct firmly investment resources for sectors managed by the CSR Government, in the amount of roughly Kcs 61 billion, to the completion of construction projects, the initiation of facility operations, and to concentrate them on the modernization and reconstruction of selected capital assets and on the assurance of social priorities;
- i) to continue in a more consistent manner with compensation according to work performance;
- j) to direct the development of individual regions of the republic towards a further growth in their economic base in accordance with the requirements of the entire Czechoslovak economy.

Paragraph 2.

In order to implement all the objectives of the state plan for the republic it is essential to utilize consistently the measures approved for the improvement of the planned management system of the national economy after 1980.

Section 3.

The CSR Government may, in connection with the preparation of the state plan for the development of the national economy of the CSR from 1981 to 1985, modify the state plan for the Republic, even if such modifications deviate from the indicators contained in Section 2, Paragraph 1, letters a) and b).

Section 4.

This law takes effect on 1 January 1981.

Signed: Erban; Adamec.

Law 183 of the Czech National Council, 17 December 1980, concerning the state budget of the CSR for 1981, and concerning the change in the budget determination of the contribution to social security.

The Czech National Council has passed the following law:

Section 1.

Paragraph 1.

The total income of the state budget of the CSR
(hereafter the "state budget" for the republic")
is established in the amount of Kcs 128,013,066,000,
the total expenditures of the state budget for the
republic are established in the amount of Kcs 128,013,066,000
(see supplement number 1).

Paragraph 2.

Included in the state budget for the republic are

a) Subsidies from the state budget of the federation
to the state budget for the republic in the amount of Kcs 58,730,000,000

b) financial ties to national committee budgets,
namely:

non-project subsidies in the amount of Kcs 18,710,200,000,
project subventions in the amount of Kcs 20,142,100,000

(see supplement 2).

Section 2.

The CSR Government, or, based on its authority, the finance minister will see to the expression of the financial data in the state budget for the republic, as established in this law, in wholesale prices valid until 1 January, 1981.

Section 3.

The CSR Government, or, based on its authority, the minister of finance may integrate into the state budget for the republic, insofar as this will not affect the balanced character of the state budget for the republic, changes in the state plan for the development of the national economy of the CSR, as well as organizational and price changes, changes in connection with the modification of economic instruments in foreign trade, and the modification of nonproject subsidies and project subventions to the national committees, should there be changes in the conditions under which this nonproject subsidization and the project subventions were established.

Section 4.

The law of the Czech National Council, number 117/1971, Laws of the CSSR, concerning the budgetary determination of revenue and the administration of payments, income taxes, and social security contributions, is changed, in light of recent regulations, so that Section 1, letter c) reads:

"c) Contributions to social security, according to laws contained under letters a) and b) above, to the state budget of the CSR. Social security contributions from organizations managed by national committees, however, accrue to the budget of the managing national committee, and social security contributions from production and consumer cooperatives and their managerial agencies accrue to the budget of the relevant district national committee."

Section 5.

This law takes effect on 1 January 1981.

Signed: Erban; Adamec.

Supplement number 1 to law 183/1980 of the Czech National Council, Laws of the CSR.

Aggregate Overview of the State Budget of the CSR.

Income	(in thousands of korunas)
Income from socialist management	39,070,241
Composed of:	
- economic activity	33,843,172
- science and technology	138,755

- monetary and technical services	3,407,968	
- social services and activities	1,444,846	
- defense and police	235,500	
Taxes and fees from the population		29,533,000
Other income		679,825
Subsidies from state budget of the Federation		58,730,000
TOTAL		128,013,066
Expenditures		(in thousands of koruna)

Expenditures of centrally managed organizations on

- economic activity	24,776,803
- science and technology	2,051,941
- monetary and technical services	2,309,781
- social services and activities for the population	54,863,384
- defense and police	3,553,000
- administration	1,605,857
Non-project subsidies to budgets of national committees	18,710,200
Project subventions to national committee budgets	20,142,100
TOTAL	128,013,066

Supplement number 2 to law 183/1980 of the Czech National Council, Laws of the CSR.

Nonproject Subsidies and Project Subventions to National Committee Budgets Included in the State Budget of the CSR.

Region	Nonproject subsidies (Kcs x 1,000)	Project subventions (Kcs x 1,000)
National Committee of Capital City of Prague	4,123,700	6,368,000
Central Czech	1,518,900	1,492,200
South Czech	1,430,500	1,165,600
West Czech	1,847,100	1,187,700

Region	Nonproject subsidies (Kcs x 1,000)	Project subventions (Kcs x 1,000)
North Czech	3,090,300	3,120,800
East Czech	1,441,200	2,703,200
South Moravian	1,771,000	2,703,200
North Moravian	3,487,500	2,537,500
TOTAL	18,710,200	20,112,100

Law 184 of the Slovak National Council, 18 December 1980, concerning the estate plan for the development of the national economy of the SSR for 1981.

The Slovak National Council has passed the following law:

Section 1.

The fundamental goal of the state plan for the development of the national economy of the CSR in 1981 (hereafter the "state plan") is to guarantee the smooth and proportional development of the national economy, above all by increasing the efficiency and quality of all work and achieving, on this basis, greater quality in the satisfaction of the material and cultural needs of the people and a strengthening of their social certainties.

Section 2.

Paragraph 1.

The main objectives of the state plan are:

- a) to increase national income formation by 3.1 percent, especially through an increase in industrial production of 3.3 percent, in construction output of 3.4 percent, and a 4.1 percent increase in agricultural production;
- b) to implement structural changes in industry, especially in terms of more rapid development of machinery industry production and better utilization of domestic raw material resources;
- c) to assure deliveries to consumer goods inventories in such a way as to improve gradually their composition in relation to the requirements of the population;
- d) to achieve a more rapid growth of exports than of imports; to continue to intensify socialist economic integration with the member states of CEMA;
- e) to apply maximum efficiency in the consumption of raw materials and other inputs, fuels, energy, and propellants, to strive for their maximum valuation in production and to create the comprehensive conditions for a reduction in the energy and raw material intensiveness of production;
- f) to create conditions for a consistent increase in the quality, technical sophistication, and operational reliability of products, for innovation and the

introduction of newly requested products; to better orient the research and development base to searching for solutions to the critical tasks in the development of the national economy and to realize consistently the implementation of resolved research problems;

g) to direct investment resources in the amount of roughly Kcs 52 billion to the completion of construction projects, the initiation of facility operations, the modernization and reconstruction of selected capital assets, and the assurance of social priorities;

h) to increase employment in the socialist sector of the national economy by roughly 19,000 people, with an accompanying growth in the professional and educational levels of the employees; to implement more consistently compensation according to work performance;

i) to assure, in accordance with national economic potential, the expansion of services provided for the population, as an improvement in living conditions.

Paragraph 2.

In implementing the objectives of the state plan it is essential consistently to apply the measures approved for the improvement of the planned management system of the national economy after 1980.

Section 3.

The SSR Government, or based on its authority, the vice chairman of the SSR Government and the chairman of the Slovak Planning Commission

a) may, in connection with the preparation of the state plan for the development of the national economy of the SSR from 1981 to 1985, carry out modifications of the state plan for 1981, even though this may result in changes in the main objectives contained in Section 2, Paragraph 1, letter a),

b) will see to the expression of the figures in the state plan in wholesale prices valid beginning 1 January 1981.

Section 4.

This law takes effect on 1 January 1981,

Signed: Salgovic, Colotka.

Law 185 of the Slovak National Council, 18 December 1980, concerning the state budget of the SSR in 1981.

The Slovak National Council has passed the following law:

Section 1.

Paragraph 1.

Total income of the state budget of the SSR
(hereafter "state budget for the republic")

amounts to the sum ofKcs 70,450,658,000,

Total expenditures of the state budget for the republic

amount to the sum ofKcs 70,450,658,000

(see supplement 1).

Paragraph 2.

The state budget for the republic includes:

An aggregate financial tie between the budgets of national
committees and the state budget for the republic (subsi-
dies from the state budget for the republic) in the

amount ofKcs 9,202,500,000,

and project subventions from the state budget for the
republic to the budgets of the national committees

in the amount ofKcs 9,663,100,000

(see supplement 2).

Section 2.

The SSR Government, or, based on its authority, the minister of finance will see to the expression of the financial data in the state budget for the republic, as determined by this law, in wholesale prices valid until 1 January 1981; at the same time he will assure that the state budget for the republic and the budgets of the national committees are in balance.

Section 3.

The SSR Government, or, based on its authority, the minister of finance may integrate into the state budget for the republic, so long as this does not put the budget out of balance, changes in the state plan for the development of the national economy of the SSR, as well as price and organizational changes, and may modify the aggregate financial tie to, and project subventions for, the national committees should there be changes in the conditions according to which these ties to the state budget for the republic were determined.

Section 4.

Slovak National Council law number 122/1981, Laws of the CSSR, concerning the budgetary determination of revenue, payments, income taxes, and social security contributions and their administration, as stated in Slovak National Council Law number 148/1975, Laws of the CSR, is to be changed as follows:

Section 1, letter c) is to read:

"c) Social security contribution revenue is income of the state budget of the SSR and, insofar as the social security contribution is from an agency managed by national committees or from production or consumer cooperatives and their managerial organs it is income to the budgets of the national committees."

Section 5.

This law takes effect on 1 January 1981.

Signed: Salgovic; Colotka.

Supplement number 1 to Slovak National Council Law 185/1980, Laws of the CSSR.

Aggregate Overview of the State Budget of the SSR for 1981.

Income	(in thousands of korunas)
Income from socialist management	15,550,894
Composed of:	
- economic activity	13,408,652
- science and technology	99,294
- monetary and technical services	1,097,821
- social services and activities	879,406
- defense and police	65,721
Taxes and fees from population	11,855,000
Other Income	204,764
Subsidies and subventions from state budget of the Federation	42,840,000
TOTAL	70,450,658
Expenditures	
Economic activity	20,134,032
Science and Technology	1,575,059
Monetary and technical services	1,399,776
Social services and activities for population	25,880,859
Defense and police	1,544,000
Administration	1,051,332
Aggregate financial tie and project subventions to national committees	18,865,600
TOTAL	70,450,658

Supplement number 2 to Slovak National Council Law 185/1980, Laws of the CSR.

Aggregate Financial Tie (Subsidy) and Project Subventions to National Committees from the State Budget of the SSR for 1981.

Region	Subsidy (Kcs x 1,000)	Project Subventions (Kcs x 1,000)
National Committee of Capital City of Slovak Socialist Republic, Bratislava	781,200	2,004,700
West Slovak Regional National Committee	1,943,000	2,442,600
Central Slovak Regional National Committee	3,179,300	2,588,000
East Slovak Regional National Committee	3,299,000	2,627,800
TOTAL	9,202,500	9,663,100

9276

CSO: 2400

ROLE OF PRICES IN INCREASING ECONOMIC PERFORMANCE VIEWED

Prague HOSPODARSKE NOVINY in Czech 5 Dec 80 p 3

[Article by Engr Vlastimil Boura, CSc., first deputy minister, Federal Price Office: "Prices Too Can Contribute to Goal of Higher Efficiency of the Economy"]

[Text] The full text of the decree on prices effective 1 January 1981 will be published in annexes to today's and future issues of HOSPODARSKE NOVINY. Changes in and supplements to the current price decree are issued in the form of partial amendments. The objectives in this area set forth in the Set of Measures to Improve the Planned Management System of the Economy After 1980 are being met in the sector of legal adjustments of methodology and control of prices through modifications of the price decree as well as through partial amendments of CSSR Government Decree No 163/1973, Sb., [Collection of Laws] on state management of prices in the sense of CSSR Government Decree No 73/1978, Sb.

In addition to achieving the objectives contained in the Set of Measures, the goal of these adjustments is also a more consistent compliance with essential directives set forth in the area of price setting and controls on the basis of party and government documents. This particularly involves application of the principle of reducing the cost of a unit of critical parameter of new machinery and equipment, extending and improving price constraints, more effective regulation of prices of products and work supplied for capital construction and changes in the regulation of import prices which are based on a closer link between domestic prices and actual import costs. It is natural that on the occasion of the adjustment of pricing regulations, other changes were also made based on the experience and observations of their application up to now.

Under the new management conditions two entirely new principles on systematic price setting are added to those given above. The first is the development of gradually closer links between domestic and foreign prices by means of foreign price parities or foreign prices obtained for exports or the import prices. The connection between domestic and foreign prices will be verified and utilized both for setting prices of new products and for setting price constraints and price incentives, as well as for central price regulation of imports. The goal here is to apply in practice the criterion of important foreign markets in the setting of prices and by means of this criterion further generalize our domestic price structure.

The second principle is more effective use of price setting of new products in the process of increasing the efficiency of the price structure. The intent of this

measure is to make sure that in maintaining the overall price level prices of new products are set at economically justified levels and avoid any possible disparity with prices of comparable products already in production. For this purpose calculation tables in particular should be updated, especially tables of indirect expenses and profit tables used for determining prices.

From the above it follows that the changes and supplements in pricing regulations concentrate chiefly on methods of setting prices and price constraints, price incentives, the regulation of import prices, the pricing system in capital construction and also on price controls, including supplementary levies. The great majority of changes and supplements concern the price decree, whereas the changes in supplementary levies required modification of the relevant CSSR Government decree.

Later in this article I will give a concise characterization of the main changes and supplements contained in the amendments to the pricing regulations.

A common principle of all methods used up to now in setting prices of domestic products was that they were based only on domestic economic conditions of production. The basic method of determining prices, that is, price comparison and setting prices by means of individual calculation of comparable products, was consequently based on necessary (justified) expenses of domestic production and a fixed amount of profit. This basic procedure in setting prices of new products is still in effect, but is supplemented by a more comprehensive look at prices. This is being attempted partly by using a method of price setting with the help of foreign price parity and partly by calculating the efficiency for the buyer of using the new production facility. In defined cases, that is, with new products representing significant innovation for the national economy, it will now be necessary to additionally justify the proposed price either by means of foreign price parity or by calculating the efficiency of using the new product.

The goal of these measures is to improve the work of pricing personnel and to attain a higher objectivity in prices. After all, it cannot be denied that, for example, to correctly determine the wholesale price of a new product which is partly or fully designated for export it does not suffice to consider only production conditions. It is just as essential also to take into account existing prices on foreign markets. Greater emphasis on setting prices based on the application of these two methods is fully consistent with the basic requirements of the Set of Measures.

Another important measure concerning those methods of setting prices which are based on price calculations is the opportunity to update the calculation tables used for determining prices. This measure, approved under the Comprehensive Experiment in Efficiency and Quality Management, should prevent the disproportionate obsolescence of calculation tables used to determine prices and instead, by maintaining current price levels, make it possible in justified cases to update these tables in accordance with the development of economic conditions of production.

By means of changes in profit tables in the case of new products the result of changes in prices will also be handled in organizations which do not themselves change the price of their products, but which feel the effects of price changes of other organizations when they are buying. This will enable these organizations,

in setting prices of new products, to proceed on the basis of changed prices in raw materials, other materials and products, and at the same time be sure of maintaining current price levels of products produced by these organizations.

During this five-year plan price incentives were treated as a comprehensive system, especially by establishing direct relations with enterprise monetary incentive funds and by appropriate adjustments in the methodology of determining certain mandatory plan requirements. Now changes are taking place in the method of determining the amount of preferential pricing and penal price reductions of production assets in connection with application of criteria of foreign prices obtained for exports.

The method of preferential pricing used up to now for technologically advanced and high quality production equipment based on calculated returns (savings) which the new product would bring the buyer is being replaced in the case of exported products by a new criteria: the efficiency of the export. Insofar as the new production equipment designated as technologically advanced or classified as first quality is an item of export the amount of its preferential pricing will fully depend on its increased export efficiency, but if the new product is not exported, or the extent of its export is negligible, then the preferential pricing is determined in accordance with the calculated return in agreement with the buyer. In the absence of these conditions there will be no preferential pricing of the production equipment. The preferential pricing of technologically advanced and high quality products supplied also to the domestic market for retail prices and the preferential pricing of new fashion items and products of a luxury nature remain unchanged. Likewise, the method of penal price reduction for products technically obsolete and products classified as third quality is essentially the same.

An important change is the establishment of a new category of preferential pricing and penalizing based only on export efficiency. In certain sectors of VHSs [economic production units] a price component of new products, or even those already in production which are items of export, will be surcharges or deductions, the amount of which will depend on the foreign prices obtained for the export of these products. Preferential or prejudicial treatment of prices of new products will for the most part apply also to the domestic market, whereas surcharges or deductions applied to products already in production would refer only to the amount of exported production. The deductions or surcharges will be adjusted annually if there are substantial changes in the export efficiency obtained. These principles of preferential pricing will also be applicable to newly acquired domestic products which had formerly been imported exclusively, provided the domestic wholesale price is lower than the imported price.

Therefore, this means that in certain sectors or organizations the practical relationship between domestic and foreign prices becomes one of the price setting factors which is taken into consideration in setting the prices of new products. The basic significance of this entirely new procedure calls for a gradual process of implementation which will be consistently managed by the price offices and, on the basis of sustained monitoring of its actual operation, will be further improved and gradually extended. The measures effective 1 January 1981 must be considered as a first step in this direction.

Price Constraints

The area of price constraints was also treated essentially from a material, methodic and legal viewpoint in the second half of this five-year plan in connection with meeting the requirements of CSSR Government Resolutions No 214/1977 and 33/1979 on price constraints. The amendment to the decree on pricing thus contains only part of the adjustment on the extent of mandatory application of price constraints and methods of setting them.

The obligation to apply price constraints extends to new products manufactured according to new (changed) technological standards if they result in greater improvement of existing products. The price constraint here should be an important economic criterion for actual technological treatment of standards, just as for the requirements of the plan for technological development. In addition, price constraints also apply to nonstandard products in significant amounts delivered for capital construction. These price constraints will be applied during the preliminary stage of the design. Their purpose is to improve the pricing instruments used in estimating construction budgets and thereby also stabilize investment costs. Detailed methods of setting these price constraints and the procedures for negotiating and establishing them are made by independent decisions of price offices. At the present time the methods and procedures for applying constraints in the area of purchase prices are still being worked out.

This degree of mandatory application of price constraints corresponds to requirements in the period of the Seventh Five-Year Plan, since it encompasses the most important of national economic innovation processes. Appropriate authorities and organizations must now fully direct their attention to greatly improving the setting of preliminary and final price constraints so that they will fulfill their main function, that is, become exacting economic criteria for the development and preparation of the production of new products.

Consequently, the methodology of setting price constraints is supplemented by other suitable methods. These are methods of setting price constraints based on import prices when domestic production is to replace previous exclusive importation, when there is the possibility of using the construction method, as well as the possibility of combining various methods. Conditions are also being extended whereby, instead of preliminary or final price constraints, it is possible to directly propose wholesale prices or whereby organizations or authorities which have jurisdiction, can set the wholesale prices directly, according to proposed price constraints. This applies, for example, to cases where price constraints would be set by means of mandatory methods approved by appropriate price offices.

Regulation of Import Prices

The main purpose of the changes in regulations of import prices is to make sure that the costs of production organizations fully reflect the actual development of costs connected with importation and that central regulations be oriented only toward the most important volume-wise items of import which are subject to more frequent price fluctuations on foreign markets.

With this intent in mind, changes have been made in methods of regulating import prices. They consist of reducing the range of items in which the state budget shares in the difference between the actual cost of importation and the established domestic wholesale price. The practical abolition of the category of agreed-upon purchase prices will result in a more exact delimitation for setting current buying prices of imports and exports.

The general endeavor to make capital construction more efficient also requires a gradual increase in the efficiency of the price setting system for products delivered for capital construction. The direction for improving prices in this area was already prescribed by CSSR Government Resolution No 23/1979 on the management and planning of replacement of capital assets, the main provisions of which were also incorporated into the Set of Measures.

The chief measures in the area of prices are based particularly on spreading total costs of construction projects and production facilities and in shifting ahead the setting of prices of nonstandard machinery and equipment to the stage of budget preparation for the implementation design. Their purpose is to be more effective in preventing increases of budgeted costs and to give greater incentives to suppliers of building and production facilities to effect more efficient procedures leading to reduced expenses.

The above goals will be realized by making it necessary to apply total costs in a responsible manner to all models of building projects and production facilities or their components, to building projects and production facilities built on the basis of recurring designs, to complete industrial plants for export, and in other cases designated by the appropriate price offices. At the same time there will be a gradual introduction of composite costs for building and assembly work which will be prescribed for unit assembly systems, for structural sections, and for series of assembly operations. Contrary to the present practice, total costs will not include supplementary budget expenditures and incidental budget expenses which represent individual conditions of particular projects.

Shifting forward the setting of prices of nonstandard machinery and equipment to the formulation stage of the implementation design also required an overall modification of the methods and procedures for setting the costs of these products. The modification consists of a method of setting price constraints and also of setting wholesale prices and a partial simplification of price administration. This is done in view of the fact that in the case of nonstandard products of considerable volume supplied for projects which are specified in preliminary designs and where the supplier is obliged to propose the final price constraint in the preliminary design stage, a necessary relationship between the setting of the price constraint and the subsequent wholesale price is recognized.

Price Controls and Supplementary Levies

The results of price controls attest to the fact that in recent years there has been a definite improvement in pricing discipline, especially in organizations which adopt and extend mandatory methods of price setting, where the quality of management is on a higher level and where necessary measures are taken to make adjustments on the basis of controls. Nevertheless, in approximately half of the

organizations checked, pricing irregularities are still being found which often form a considerable portion of the planned growth in profits. In view of the fact that under the new management conditions any unauthorized price increases exert a considerably stronger influence (of approximately threefold intensity) on the value-added indicator, it will be necessary to continue to raise the effectiveness of price controls at all levels of management, and monitor the distribution of their impact by involving technical control units of VML and enterprise departments and by increasing the responsibility of other units and workers for proper price setting data. For these reasons certain partial modifications were made in the stipulations for price controls in the price decree.

The main changes in this area concern supplementary levies imposed for violation of price regulations which is modified by CSER Government Decree No 136/1973, Sb. on state management in the area of prices in the sense of CSER Government Decree No 72/1978, Sb. They consist partly of the extension of supplementary levies for noncompliance with organization obligations connected with proposed or unspecified price constraints for objectives of plan standardization and also the imposition of supplementary levies for inefficient export products, especially where the implementation of a new category of price incentives is involved.

From the above concise characterization of changes in price regulations it follows that, consistent with the basic requirements of the Set of Measures, there will also be higher demands in the area of price setting. Generally higher demands in all work is a categorical requirement for further increasing the efficiency of the entire production process. This will require placing ever higher demands on the work of pricing personnel. An important place in this connection is adjudged the creation of closer ties between domestic and foreign prices, permitting our domestic production conditions to compare with conditions existing on foreign markets. In working on the modification of price regulations we also tried to comply with the directive of the Set of Measures calling for general reduction of high administrative demands in the whole system of management.

8491
CSO: 2400

FRG COMMENTATOR DOUBTS CSSR REFORM IMPLEMENTATION

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 27 Dec 80 p 3

[Excerpt from article datelined Prague, 26 December, by Viktor Meier: "The Neighbor in Central Europe Has Become a Distant Land: Hardly Any Chances for Prague's 'Minor Reform.'"]

[Text] The visitor in Prague has the impression that he has really already seen all the country's problems 2 or 3 years ago. They have remained the same, only intensified each time. There is the obsolescence of production facilities which increasingly hampers exports to the West, the all-too extensive spread of production, the hopelessly onesided entanglement in Eastern economic integration and the total adaptation toward the East of the production norms which until World War II had been oriented toward the West. This also tends to preclude increasingly an opening toward the world market. Productivity is dropping continuously; only in Slovakia with its somewhat more modern enterprises are conditions better.

Czechoslovakia's debts to the West are relatively small (only some \$3.2 billion), but this is attributable primarily to the low intensity of ties. Every attempt to escape slow economic death by suffocation has to contend not only with objective problems but also with the ideological watchdogs: Vasil Bilak usually proclaims then in the Central Committee that one must not only take economic aspects into consideration but must think even more about "political consciousness." Moreover--and this is one of Bilak's favorite topics--reorganizations in the economic system must be conceptualized only with a view toward a yet more intensive integration with the Soviet Union.

Bilak made this last point recently in connection with the so-called "minor reform" which now, after a prolonged period of experimentation and under the influence of the --at least on economic issues--pragmatically thinking Premier Strougal, is to take effect on 1 January. They are purely technical reforms without any political-ideological significance. Instead of quantitative gross output indicators, used until now, "profit" expressed in money--of course at state-fixed prices--will henceforth become the primary indicator of plan fulfillment. "Profits" achieved can be used by enterprises more freely than before for their own investments. To cash in on export sale premiums, sale to a foreign trade enterprise is no longer adequate, as was the case until now; there has to be actual exportation.

The country's position toward the reform varies from indifference to hostility. It doesn't do the slightest for the workers; it gives them neither a voice in decision-making nor higher wages. It has already been announced that real income has decreased by 2.8 percent since last year; for the coming year, a nominal wage increase of 1.8 percent has been forecast. In reality, real incomes will decline further. Strougal announced that henceforth wages will be tied more strongly to performance. But the question of performance in particular is most difficult to determine under the new system. Virtually all enterprise directors who have attained their positions since 1968 without proper qualifications would have to lose them if even a glimmer of the real performance principle were to be implemented in Czechoslovakia. These enterprise directors see the greater decisionmaking power delegated to the enterprises not as a blessing but as a burden and danger. Strougal therefore, finds virtually all other higher executives and functionaries opposed to him--a solid guarantee that in all probability nothing will come of Czechoslovakia's laboriously begotten minor reform.

Something more comforting is gained from a stroll through Prague's historic old sections. Renovation work has made good progress. The number of "eternal scaffolds" has diminished. Renovation is taking place above all Am Graben. The Wenzelsplatz, for many years practically inaccessible because of the subway construction, is today once more clear and open, reminding, as so much else that has permanence in this country, of the period between the wars. Economically and politically this was the major developmental period of the nation and its state. This year the new subway in Prague has been extended into a usable network; and after a construction period running into decades, a superhighway has been opened between Prague and the Slovakian capital of Bratislava. For communist Czechoslovakia in its present condition, these are historic achievements. The neighbor in Central Europe has become a distant land.

9011
CSO: 2300

SSR LABOR MINISTER COMMENTS ON LABOR SHORTAGE, SOLUTION

Bratislava PRAVDA in Slovak 19 Dec 80 p 3

[Article by Dezider Krocsany, minister of labor and social affairs of the SSR: "To Proceed Responsibly in Wage Development and To Use Labor Forces More Rationally--We Are Ending the Sixth and Getting Ready for the Seventh Five-Year Plan"]

[Text] During the Sixth Five-Year Plan the SSR Ministry of Labor and Social Affairs--pursuant to the decisions of the 15th CPCZ Congress and of the Congress of the Communist Party of Slovakia--focused managing activities of the ministries and national committees on the implementation of numerous factors positively influencing rational utilization of labor forces, maintenance of the planned wage development and consolidation of the socialist principles of rewards, and further development of care for the workers in enterprises. Moreover, it helped improve the social security system.

Enforcement of tools controlling employment and deployment of our work forces integrated all resources entering our national economy in the 1976-1980 period. According to current data, employment in the SSR developed at a faster rate than projected in the plan. In the five-year period we anticipate an increment of as many as 170,000 workers, as against the 148,000 according to the plan. The higher increment stems from a more intensive economic activity of women of productive age, and from the increased activity of the population of retirement age.

In cooperation with other ministries we succeeded in achieving the planned development of employment in vital branches and sectors of our national economy, i.e., in machine engineering, power engineering, and transportation, and obtained enough workers for vital construction projects of the fuel and energy base, such as the Transit Gas Pipeline, the nuclear power plants in Jaslovske Bohunice, the repumping hydroelectric workers on the Cierny Vah River, and the waterworks system on the Danube River. Implementation of measures stimulating migration helped secure and stabilize work forces in Bratislava, the capital city of the SSR.

In general, the development of employment in the SSR proceeded on a qualitatively higher level, since 84.4 percent of additional requirements of work forces in the SSR national economy were covered by qualified resources. In the course of the five-year plan 43,000 college graduates, 93,000 secondary school graduates, and almost 200,000 skilled manual workers with vocational training joined the working

process. Next to the numerical growth of college and secondary school graduates, vocational training of young people in workers' trades has been distinctly consolidated. The fact that disturbs us profoundly in this context is that the growth of the labor potential and a substantial improvement in the standard of workers' qualification have not been duly reflected in higher efficiency of our national economy and in the growth of our national revenue. Those factors have not been fully projected in the area of production in the form of production growth and better utilization of production assets by a higher rate of shifts, and in the achievement of dynamic labor productivity according to the plan. Employment has been growing most of all in the tertiary sphere, but the scope of services there has not been adequately expanded, and their quality has not improved.

What Has Diminished Efficiency?

Under the circumstances can we put the blame on the shortage of work forces? Of course not, because on principle this involves primarily the problem of rational use of labor forces in raising labor productivity. Therefore, the psychosis of labor force shortages must be rejected because evidently it reduces pressures on their rational exploitation.

This fact was ignored by executives of industrial ministries, VNI [economic production units] and enterprises who, instead of conserving work forces consistently and administering the worktime fund properly, enforced unjustified demands concerning work forces and tolerated excesses over the limits regulating the number of workers in organizations. Moreover, employees of national committees who failed to enforce to the necessary extent their right of control contributed to this negative result. When approving permits to hire workers, they were not objective enough as concerns requirements of organizations, and they failed to pinpoint the reasons for the undesirable fluctuation of workers and to assess the efficiency of measures to stabilize it, mainly in categories of manual labor.

In the Seventh Five-Year Plan we shall resolve--in accordance with the Set of Measures--these and other shortcomings in the development of employment and in rational utilization of work forces by enforcing consistently the new system of uniform regulations regarding employment and deployment of work forces and apprentices, and by focusing and limiting the priorities more rigorously in order to subordinate the planned work force mobility to them.

Furthermore, our measures will be aimed at meeting further needs of work forces, primarily in fuel and power engineering, in the construction of power engineering projects, and in the development of advanced sectors and production in metallurgical and machine engineering industries and in railroad transportation. By the same token, we demand that the ministries eliminate inefficient production at a faster rate, and we shall propose measures to redistribute the work force resources released by them, above all in the capacities of production and in sectors and branches with good development potential and a high standard of labor productivity and efficient export.

We intend to establish a uniform system to control the recruitment of work forces for new capacities, and to review gradually jobs or job opportunities where we may help balance full exploitation of production assets with work forces.

In view of the level reached in the integration of persons of productive ages into the work process, the range of work force resources that may be mobilized has been reduced to a minimum. Such circumstances have inevitably brought to the fore the demand that a substantially higher effect be reached in operations of our scientific research base and that the achievements of the scientific-technological progress be applied in production. The pivotal problem in this respect is better utilization of work forces and improvement of their structure in terms of efficient and highly trained researchers and scientists who at present constitute less than one-half of the total of 50,000 research employees in the SSR.

An important aspect in proper application of work forces is advantageous utilization of their vocational qualification. Our society has invested extensive funds in training of skilled workers, but many organizations fail to use their skilled workers rationally. Therefore, organizations must upgrade the quality of their work with their personnel and balance the skills they require with personal qualification of their workers. In other words, they must put the training of their manual workers to the best advantage by making full use of them in their vocation or in a related field; and they must balance the skills with appropriate jobs assigned to employees with secondary and higher education. By the same token, the process of adaptation of recent graduates coming from vocational and secondary schools and colleges must be intensified in order to use to the best advantage the qualifications they have acquired.

The high and relatively balanced dynamism in the growth of machine engineering capital assets in the production area has failed to generate desirable effects in raising labor productivity, and the sharp increase in equipping workers in the industry with basic machinery has not gone hand in hand with better utilization of labor and increase in the rate of work in shifts.

Because one of the key factors in raising labor productivity is better utilization of the existing technological base, we shall promote in individual ministries more intensive application, in particular, of the noninvestment factors in the growth of labor productivity by means of the human agent, where we have considerable reserves. This calls for better organization of production and labor, better use of work time, improved structure of work forces, and more efficient exploitation of material and moral incentives.

Better Use of the Work Time

Our reserves, for instance, in better use of work time are estimated at 15 percent in industry, and as much as 30 percent in construction. Most time losses stem from illness and injury, day-long idle time and unwarranted absences. Last year alone 207,725 days were lost in SSR industry and 144,830 days in construction due to unexcused absences. Day-long idle time in those branches amounted to 54,362 days and approved absence with and without pay to 675,111 workdays. According to preliminary results, this year's accounts do not look any better. Correctable aspects of day-long absence represent the annual work of approximately 5,000 manual workers and a loss of production amounting to nearly Kcs 900 million.

The causes of such losses must be objectively analyzed in every place of work in order to make better use of work time, and on that basis to implement measures for improvement of the organization of labor, enterprise and other services, health care and plant dining services, and thus, to make substantially more advantageous use of the work time during shifts. Furthermore, disciplinary regulations must be enforced in uncompromising conformity with the Labor Code against those employees who systematically violate work discipline, as well as against those managers who, for subjective reasons, benevolently tolerate inadequate use of work time and who, at the same time, permit overtime work.

On the basis of concepts for rationalization and standardization of labor in the 1976-1980 period we instructed ministries to demonstrate greater concern for rational exploitation of human labor. The application of those principles stimulated rationalization which began showing a greater share in the growth of labor productivity. Relative savings of 14,381 workers in SSR industry, construction and agriculture over 4 years of the five-year plan represent roughly one-fifth of the increment in labor productivity. Nevertheless, this still falls short of our potential and of our needs to achieve a dynamic development of labor productivity. Therefore, for more advantageous exploitation of such reserves we shall specify and implement expedient planning and management of rationalization and standardization of labor in the SSR national economy.

Although the development in the structure of workers has been controlled since 1976, the declining quota of manual workers could not be stopped with an absolute increase of the number of workers and thus, also of manual workers. The quality standards of goods and the level of innovation and labor productivity of manual workers in our production are proof that the numbers of technical-economic workers do not correspond with the final results, and there are reasons to reduce them, or at least to curtail their growth. Therefore, we shall resolve this problem pursuant to the Set of Measures by means of the system controlling technical-economic workers. In the form of specifications of the state plan we shall propose a method setting limits to the numbers and quotas of technical-economic workers, derived from standards and work norms whose development we shall methodically regulate.

To Bring Order Into Standards

The further implementation of the labor rationalization program concerns the development and improvement of operations and thorough exploitation of standardization of labor. In conjunction with the program to improve economic efficiency of the wage system, now in preparation, it will be inevitable to review gradually during the 1981-1983 period all standards applied in labor consumption and to achieve a further expansion of the base for standards so as to reduce sharply the number of workers whose productivity falls below standard. The reviewed standards must serve as basic yardsticks in assessing efficiency and merit of work teams and individuals and thus, also in determining their rewards.

Rationalization programs must be intensified substantially more than thus far not only in main production processes and operations, but also in services and auxiliary operations. This area must be unconditionally resolved because as many

as 41 percent of the total number of workers are employed in auxiliary operations and services. The reason that so many workers are needed there is the low level of mechanization in handling of materials, which is about 22 percent in our country, as compared with about 80 percent in the highly developed countries.

Gradual materialization of all standards applied in labor consumption during the first years of the Seventh Five-Year Plan will predicate higher economic efficiency of the wage system.

Material incentives stimulating interest in the results of work are of utmost importance in the solution of the demanding tasks in our development. They are in the focus of attention not only of the highest party and state authorities, but also of our general public because they directly affect everybody. The inevitable task to improve efficiency of our whole national economy and of every individual involved in the working process is connected in the first place with the question of merit for specific results of work. Our experience with the current wage practice has convinced us that it is imperative to implement fundamental measures, most of all in this particular area.

Rationalization of our labor and wage systems implemented during the Fifth and Sixth Five-Year Plans helped establish some order in the distribution of that part of our national revenue that is annually disbursed in the form of wages. The differentiation in the income of workers in individual branches and sectors, however, was far more distinctive than the internal differentiation, i.e., among workers who were highly efficient, average and inefficient in fulfilling their duties in their work. In the future it will be necessary above all to enforce consistently the principle of merit, to apply more objective, stricter criteria when assessing merits and rewards due to teams and individuals according to the actual social contribution of their work, to establish the closest possible link between wage development and production of national revenue and social labor productivity, to focus wages, particularly their incentive factor, on vital aspects of efficiency, and at the same time, to achieve efficient control of the performance in relation to wages.

In enterprise subdivision formations it will be necessary to enforce consistent wage differentiation among workers' teams and individuals on the basis of their actual merit for labor and management achievements, to impress in the minds of all workers a general attitude of high standards in productivity, quality of performance, and utilization of work time.

The exacting tasks of the wage policy during the coming period demand that our organizations change most of their current bonus policies and regulations for granting rewards, and thus, that they upgrade their stimulating effect. Even at a lower growth of average wages it is necessary to differentiate more decisively in the reward system according to actual achievements and quality of work. By the same token, material and moral incentives must bolster highly efficient manual workers, creative technicians and managers who demonstrate initiative in fulfilling their assignments and whose performance and quality of work over an extended period has been excellent, so that they deserve credit for their economical management of labor forces.

In order to achieve harmony in the objectives of wage policies and wage practice, highly qualified management and wage control must be intensified, not only in branches and middle links of the management, but also in national committees.

To Make Work More Attractive

Next to material incentives, planning of working and living conditions and their improvement so as to render work more interesting and attractive are of particular importance in achieving higher productivity and stabilization of work teams. During the Sixth Five-Year Plan we achieved many positive results in this area by means of comprehensive programs for care of organizations and workers. During the next period we shall focus mostly on their intensification and improvement. Therefore, in cooperation with the Slovak Trade Union Council we shall methodically regulate the draft of the five-year plan and of annual plans for cadre, personnel and social developments, and focus them on those operational sectors that are most closely linked with the creation of social product and national revenue. At the same time, on the basis of initial analyses of quality in individual branches it is necessary to see to it that they express, from the point of view of capital expenditures, such volumes of assets as are realistic and directly linked with other sections of the economic plan.

We shall urge our national committees to cooperate with organizations in their territorial units when determining and implementing the objectives and tasks of personal and social development in areas affecting the deployment of labor forces and living conditions, transportation to work, better dining, housing, cultural, hobby and sports opportunities, and construction of preschool facilities and their rational use.

Because of our workers' efforts and dedicated work in fulfilling the demanding tasks of our economic and social development during the years of the Sixth Five-Year Plan, the production of material resources in industry, construction and agriculture has grown despite certain problems. Thus, it was possible to expand the production-technical base and to create conditions for upgrading the living standard and to consolidate the social security of our population. In addition to a 21.8 percent rise in financial incomes earned by the population of the SSR in the form of wages and rewards over the past 4 years, the payments of social income also increased by 23.5 percent. On the average about 100,000 persons were born annually in the SSR during the Sixth Five-Year Plan. The development of the birth rate was fundamentally affected by the extensive social care and aid to families with children, for which more than Kcs 11 billion was expended annually in the SSR in various forms.

The results of an improved system of our citizens' wage security will be reflected in a conspicuous growth of expenditures for such payments, namely, from Kcs 8.1 billion in 1975 to the projected Kcs 11.4 billion in the last year of the Sixth Five-Year Plan, which means that over all they will be up by 40 percent as compared with the situation toward the end of the Fifth Five-Year Plan. Next to pensions claimed by our citizens, the development of social security of our old and disabled citizens, nursing and other services attracted particular attention.

How To Proceed in the Future

In this area we maintain our interest in thorough implementation of the law on social security as the fundamental political postulate which guarantees social security to our working people. Therefore, we shall demand that when determining social security payments and services the organs of social services, particularly those in national committees, always responsibly and thoroughly examine above all their social justification and render them only to those citizens who really depend on them.

When fulfilling their tasks stemming from the law on social security as well as from other directives, mainly from the Principles of Social Care for Old and Disabled Citizens, our economic organizations must fundamentally upgrade their standards; sizable allocations for funds of cultural and social needs will be budgeted for that purpose.

As for the care of our disabled citizens, the cooperation of agencies and institutions of health and social care must be intensified in the organization of therapy and occupational rehabilitation. In addition, a uniform process must be enforced for comprehensive assessments of health and disability and for wider opportunities when choosing suitable jobs for citizens whose working capacities have changed.

When developing and improving our social security services we emphasize furthermore the development of the material-technological base of our social security institutions. Therefore, in the coming period our national committees must pay closer attention to the solution of such problems on the basis of the concept approved for the Seventh Five-Year Plan. Its implementation will help add roughly 3,500 spaces to the capacity of the homes for the retired and of special social security institutions for the seriously disabled youth and adults, of which 2,000 places are earmarked for homes for retirees in need of nursing services, now being built by communal housing construction.

Naturally, the production of resources on the one hand, and their consumption, on the other, must be in balance. Therefore, the process of distribution will proceed in the future from the principle that we may distribute only what our diligent work can achieve in creating new material assets. Here we shall be much more consistent in demanding that the principle of merit for achievements in work be more vigorously enforced in the area of personal and social needs. By the same token, we shall guide our national committees toward more efficient management with the funds budgeted for social security.

In accord with the decision of the 18th Session of the CPCZ Central Committee and the October session of the Slovak Communist Party Central Committee, we in the Ministry of Labor and Social Affairs wish to participate as much as possible in the fulfillment of our party's strategic program--to accelerate the development of efficiency in our national economy by intensifying the efforts and quality of all work. We are fully aware that its more dynamic development is the only thing that will enable us to satisfy the constantly rising material and cultural needs of our population.

9004

CSO: 2400

INLAND FISHING INDUSTRY'S GROWTH, PROSPECTS REVIEWED

East Berlin PRESSE-INFORMATIONEN in German No 149, 18 Dec 80 pp 5-6

/Facts and Figures' report by Press Office, Chairman, GDR Council of Ministers:
"Growing Accomplishments of Inland Fishing Industry"/

/Text/ As stressed at the Thirteenth SED Central Committee Plenum, the members of production cooperatives and state enterprises of inland fishing are achieving outstanding performances in order to supply the public. Some 2,500 working people in the 14 inland fishing VEB's, 30 production cooperatives of working fishermen and 7 cooperative facilities for inland fishing run 115,000 hectares of lakes and flowing waters as well as 13,400 carp ponds. Another 22 facilities produce on an industrial scale mainly fry--1 or 2-year fish. 1979 fish production from inland waters amounted to 12,502 tons of edible fish, 2,434 tons of fish for fishmeal and 5,336 tons of fry.

That is the result of 30 years of successful development in this sector, accomplished with the leadership of the party of the working class. In 1949 inland fishing was badly fragmented. The management of waters was carried on largely by individual fishermen and fish farmers. In accordance with SED agrarian policy, inland fishing underwent a profound change along the lines of farming. The working people succeeded in reorganizing the fishing industry on a scientific basis. Large socialist enterprises arose, the concentration and specialization of production was gradually achieved. Mechanical aids increasingly eased the labors of the fishermen, and the latter are getting more and more skilled. Living conditions also improved greatly. Cooperative fishermen and workers are actively involved in management and planning, a fact reflected especially in the obligations incurred with regard to the socialist competition.

The establishment of the cooperative federation "quality fish of the Mecklenburg lakeland" in 1968 signaled another stage in the social development of inland fishing. Now the enterprises of inland fishing are linked by many cooperation relations among themselves and with other enterprises and facilities.

Seven inland fishing VEB's and 24 production cooperatives of working fishermen cooperate with their partners in the cooperation federations of Neubrandenburg, Dresden, Potsdam, Frankfurt, Cottbus and Karl Marx Stadt Bezirks. Three of the federations set up special cooperative facilities such as in Neubrandenburg Bezirk, for the production of fry and trout, for fish processing and fishing equipment.

The output of edible fish will achieve some 68,500 tons in this five-year plan period. That is more than twice as much as in the period 1951-1955; the production of carp in fact trebled. Trout fishing yielded some 590 tons in 1961-1965, nearly 4,660 tons in 1971-1975, and 10,900 tons or more are expected in the present five-year plan period. That figure does not include the catches of sports fishermen.

In view of the last 2 years low water temperatures conditions for carp production were very unfavorable. That is why the planned weight increase per carp was not achieved in 1980. Still, timely steps (additional sorting of carp) ensured that sufficient supplies were available for the public on the festive occasions of Christmas Eve and New Year's Eve, just as last year.

The German Angling Federation of the GDR has more than 445,000 members. It was allocated large bodies of water which were thereby removed from the use of the inland fishing enterprises. The anglers belonging to the federation may fish on more than 37,000 hectares of water. In addition these waters must be regularly culled. The fish landed as a result of these operations are sent to market if big enough, the smaller ones reintroduced to the same or other waters.

Satisfactory opportunities for the acquisition of skills were provided by the establishment of the fishing school at Koenigswartha in 1949, the Storkow-Hubertushoehe engineering school in 1968 and the section fish production at Berlin's Humboldt University in 1952. At the present time 61.7 percent of the working people in inland fishing are skilled workers, 12.2 percent foremen; 9.6 percent are technical school, 4 percent college graduates.

At a central conference on the further social and economic development of inland fishing held last May in Neubrandenburg the current status was thoroughly analyzed. Following extensive discussions the targets through 1985 were set.

Currently plans of operations and conceptions are being prepared in the enterprises and facilities of inland fishing. At the same time resolutions are adopted on the best way further to raise fish production in local conditions and improve efficiency. The increase and stabilization of fry output requires particular encouragement. If possible the needed fry are to be bred in each Bezirk. It is also imperative intensely to exploit all waters and, to that end, reconstruct the ponds available.

In the socialist competition honoring the Tenth SED Congress the inland fishermen developed many initiatives for opening up all reserves and applying scientific-technological advances. Satisfactory competition results were accomplished by, among others, the working people in the Gotha Inland Fishing VEB, who produced 610,000 trout in excess of the 1980 plan; the plan had stipulated 800,000 trout. The Frankfurt/Oder interenterprise facility for fry production also managed this year to record an excellent result by the industrialized breeding of trout in troughs. Altogether this method was used in 1980 to produce 2.9 million trout fry (1-year fish); per cubic meter of water this corresponds to an output of 220 kg or 14,000 fry.

The production cooperative of working fishermen in Ortrand, Cottbus Bezirk, obtained a satisfactory yield in the production of carp fry in ponds, despite the poor weather conditions. In addition to satisfying their own needs, the fishermen were able to supply other enterprises with 216,000 1-year and 81,000 2-year carp in excess of the plan.

The utilization of waters is exemplary in Erfurt Bezirk. In recent years reservoirs, large or small, various ponds and many other waters were included in the intensive cultivation of fry and edible fish. The importance of the reconstruction of ponds, especially, for the improvement of carp output is properly appreciated by all inland fishing enterprises. Experiences in carp pond management have taught us that yields may well be doubled by the introduction of a new feeding process, the intensive pellet system--always provided that the proper conditions are present or provided by reconstruction.

In their initiatives for a rise in fish yields for the better supply of the public inland fishermen may be assisted by working people from other sectors of the economy and by all citizens. The first and most important point is the maintenance of water purity as an important basis for keeping the fish stocks healthy and ensuring good growth.

It is also necessary in the further development of recreational areas close to the cities to give greater consideration to fishing interests. Mainly involved here is the need to restrict the proliferation of boat ramps and other similar facilities as well as the removal of reeds which serve as spawning grounds for the fish. The intensification of fresh water fishing is very important for the economy, because fish grow without or with only a little feeding.

At the Neubrandenburg Conference many proposals were submitted for the future social development of inland fishing. These will now have to be implemented. Among others a new model charter for production cooperatives of working fishermen was drafted. The Politburo report to the Thirteenth Central Committee Plenum stated that this draft was discussed by the Politburo and submitted for public discussion by all members and workers of cooperatives.

The draft takes into account the current status and, by contrast to the old model charter, deals with the issues of cooperative work, the greater application of scientific-technological advances and the increased involvement of members and workers in the management and planning of the cooperatives. It is proposed that in future "production cooperatives of working fishermen" are to be known as "production cooperatives of inland fishing." After prolonged discussion in the cooperatives a charter commission will evaluate all suggestions and proposals. In June 1981 a conference of elected delegates from all production cooperatives of inland fishing will conduct a final discussion of the draft and then submit the result to the government for decision.

11698
CSO: 2300

BRIEFS

SUGAR PRODUCTION--The processing of sugar beets has been completed by the nation's 12 refineries and has netted 443,000 tons of sugar, 6 percent more than last year. Average sugar beet yields amounted to 38.3 tons per hectare. A total of 3.93 million tons of beets were delivered to the sugar refineries. The sugar content of the beets was 11.5 percent as compared to 15.46 percent the previous year. This year the refineries plan investments amounting to 500 million forints. To achieve their goal of being able to process beets from 112,000-115,000 hectares, the refineries must contract for the growing of this crop on at least 120,000 hectares. [Summary] [Budapest NEPSZABADSAG in Hungarian 28 Jan 81 p 1]

CSO: 2500

HEAVY, AGRICULTURAL MACHINE INDUSTRY PLAN FOR 1980 OUTLINED

Warsaw RADA NARODOWA GOSPODARKA ADMINISTRACJA in Polish No 4, Apr 80 pp 13-14

[Article by Franciszek Adamkiewicz: "The 1980 Plan for Home and for Export"]

[Text] The heavy and agricultural machine industry provides the market with sought-after goods for households, tools, farm machinery and tractors. The bulk of the deliveries involve the CZSR [Central Union of Agricultural Cooperatives] "Samopomoc Chlopska" trade network. In 1980 there will be 130 new and modernized market products. Agriculture will receive 57,600 tractors. The production of spare parts for farm machinery will rise by more than 12 percent. The condition for fulfilling the goals: an increase in management efficiency.

The realization of the tasks in 1979 proceeded under difficult, specific conditions which undoubtedly had an impact upon the results achieved. Independent of the unfinished tasks of the first months of last year caused by the severe winter, over all the past months there were reductions or complete interruptions of electrical energy, untimely and incomplete deliveries of raw and other materials, and incomplete coproduction deliveries, as well as transportation difficulties. Nevertheless, despite these obstacles, which had nothing to do with us, the plan for 1979 was realized in the majority of the sub-branches. We devoted special attention to full completion of the planned deliveries to the market, to agriculture and to the food industry, as well as fulfillment of deliveries of commodities produced by our enterprises which are decisive for ensuring housing construction. We export almost one third of our production and the results achieved by us in the area of foreign trade have an essential effect upon the formation of the turn-overs of this trade on the domestic scale.

Taking these facts into consideration, one can say that total fulfillment of its goals by the heavy and agricultural machine industry has a critical effect upon the consequences and upon the social and economic attainments of the country. Therefore, in our work we must pay greater attention also to better utilization of machines and equipment, raw and other materials and worktime—in a word, to improving management efficiency. This is an essential condition for the complete fulfillment of the plan for 1980 and for subsequent years.

The tasks for the ministry for 1980 are not easy. Moreover, we shall carry them out under conditions no less difficult than in 1979. The plan of the Ministry of Heavy and Agricultural Machine Industry for 1980 assumes the further consistent

realization of the foundations of the social and economic development of the country, in adjusting to the existing and predicted conditions of management. We devote special attention to:

--the further growth of production earmarked for supplying the market and for export, for agriculture and for construction,

--the further modernization and improvement of the quality of production along with improvements in its assortment structure, in order better to adapt to the needs of consumers.

As in past years we shall attach great significance to production for supplies for the domestic market. Despite its "heavy" name, the Ministry of Heavy and Agricultural Machine Industry is the supplier to the market of a broad variety of commodities. We are the basic supplier of, among other things, kitchen utensils, tableware, utilities and sanitary equipment, simple farm tools, screws and cutlery, wire and wire products and, above all, tractors and farm machinery, as well as spare parts for agricultural equipment. Considering the character of the production, the basic customer of our wares is the CZSR "Samopomoc Chlopska." Approximately 80 percent of the deliveries from our ministry go to supply villages, hamlets and smaller places.

In 1980 we shall provide the market with goods with a combined value of 33,600 million zlotys, i.e., about 5 percent more than in 1979. In relation to the products subject to a three-tiered system of control, an agreement has already been signed for market deliveries with the Ministry of Domestic Trade and Services. The agreed level of supplies will satisfy in full the needs expressed by commerce in, among other things, the range of: bathtubs, sinks and drainboard sinks (except those of stainless steel), metal fixtures for household systems, including faucet fixtures for bathtubs, drainboard sinks and wash basins, stainless table ware, coal stoves and heating units. Deserving of special emphasis is the improved coverage of the demands of the rural market for farm implements and for simple farm tools.

In 1980 there will be an increase of new and modernized goods placed on the market. The plan assumes a supply of approximately 130 new and modernized market products. Among the more important are: new types of washbasin, bathtub and shower faucet fixtures, ram-type milk coolers with a capacity of 50 l- and 2-liter cylindrical water traps with a revised head design and bathroom scales.

One of the more important tasks of the state economic policy is to ensure the necessary growth in exports. Considering the pre-export character of the production of our ministry, the balance of trade with the Western countries will depend to no small degree upon the production of our plants. The export plan for 1980 assumes an increase in deliveries of 8.6 percent over 1979.

The rate of growth of deliveries for export set for 1980 in the aggregate exceeds the rate of production sales by 4.4 percent. In the export structure, 74 percent consists of investment type goods characterized by long production cycles, such as: ships, complete industrial installations, railroad cars and marine engines.

The remaining 26 percent consists of goods of short delivery cycles, such as: metal and foundry goods, tractors and farm machinery. We can ensure a strong position in exports for ourselves only when we efficiently adapt production to the changing needs of world markets. The regular realization of our export goals, the dynamic development of exports, as well as improvement in its profitability will thus be the object of our special interest not merely during the current year.

The decade of the 1980's will be one of vigorous development of agriculture and food management. The first secretary of the Central Committee of the PZPR, Edward Gierek, stated among other things at the sixteenth plenum that: "in the 1970's we did a great deal for the development and modernization of agriculture as well as of food management.... Our farm policy promotes the growth of farm production and contributes to the improvement of the daily life of the inhabitants of the rural areas and to the gradual reduction of the differences between the town and country. This policy will be continued. We must better and better utilize its economic, social and political advantages for the further growth of farm production."

It will depend precisely upon our plant production, to a large extent, whether the assumptions of this equitable policy will be fully realized. The plan for 1980 assumes the delivery of tractors, farm machinery and farm equipment in the value of 33.5 billion zlotys. In all, agriculture will receive about 57,600 tractors in 1980.

In addition to the supplies of tractors and farm machinery, the ministry gives special consideration to the production of spare parts supplies. In 1980 the value of the production of spare parts supplies for agricultural equipment in the Ministry of Heavy and Agricultural Machine Industry will increase by 12.5 percent over that of 1979.

One of the more important tasks of our work is concern for environmental protection. The industrial plants of our ministry play a small part in the pollution of the natural environment at home, since they generate:

- 1.5 percent of the liquid and gaseous pollutants in the country,
- 0.9 percent of the pollution by harmful wastes,
- 0.5 percent of the sewage pollutants.

Plants having a critical impact upon the pollution of the environment are mainly located in the provinces of Poznan, Radom, Kielce, Legnica and Zielona Gora. With the participation of the Ministry of Administration, Land Management and Environmental Protection, together with peoples councils, we have for many years been taking concrete steps which have led to the development and realization of regional organizational and investment ventures aimed at improving the situation in this area.

In the last period, our ministry increased the amount of dusts halted by 18 Gg/year, i.e. by almost one fourth, and reduced the consumption of water by 400,000 m³ in the course of the year.

Along with the realization of the current production tasks, concern for ensuring housing for the employees of our plants is of critical importance.

In 1980 our ministry is allocating outlays of 693 million zlotys for the construction of housing for the employees of our plants. These outlays will permit us to gain 69,000 m² of usable floor space for housing, including 22,500 m² of usable floor space by virtue of amounts due for transferred shares. These are scheduled for acquisition in the 14 provinces in which are chiefly integrated the following industries: shipping, agricultural machinery, metal goods and railroad cars.

In addition, the outlays for the year 1980 will permit the acquisition of unfinished buildings scheduled for completion after 1980, amounting to 70,000 m² of usable floor space for housing.

As I have already mentioned, the plan of the Ministry of Heavy and Agricultural Machine Industry for 1980 assumes a concentration of efforts to carry out priority economic tasks. However, the basic conditions for the realization of the tasks assumed in the area of production and supplies will be the improvement of management efficiency.

In the plan we assume a growth in labor productivity of 5.5 percent. Considering the planned reduction in employment, the entire increase in production will thus be achieved by an increase in labor productivity. At the same time, technical and organizational steps will be taken to ensure a reduction in the import intensive-ness of production of 8 percent, as well as restrictions in the material intensive-ness of production of around 2 percent. These are difficult tasks.

Realization of the tasks for increasing production and deliveries, especially for the market and for export, is conditioned on the attainment of the planned results in the area of improvement in management efficiency. In order to fulfill the tasks of the plan under conditions of restricted employment, as well as of the necessity to ensure staff for newly committed investments, it will be necessary to attain a higher growth of labor productivity. This, however, will require us to take steps to improve labor organization as well as to improve utilization of worktime.

Thus, the realization of these ambitions and equitable goals, not only in 1980, will be decided above all by the self-sacrifice, commitment and initiative of the employees of our plants.

3190

CSO: 2600

CHEMICAL INDUSTRY PLAN FOR 1980 OUTLINED

Warsaw RADA NARODOWA GOSPODARKA ADMINISTRACJA in Polish No 4, Apr 80 pp 11-12

[Article by Henryk Konopacki: "Chemical Industry Plan for the National Economy for 1980"]

[Text] The development of many sectors of the economy depends upon growth in the production of the chemical industry. Fifteen point nine percent of nonfood supplies to the market in 1980 will consist of products of the chemical industry. There will be an increase in, among other things, the supply of automobile tires, cosmetics, drugs and chemical commodities for agriculture. The fertilizers supplied to agriculture will permit an increase in the level of fertilization to 200 kg NPK [Nitrogen-Phosphorus-Potassium] per hectare of cropland.

The chemical industry, as one of the basic factors determining the pace of modernization and the directions in which the entire economy will develop, from year to year provides more and more products to the domestic market and for export, and the successful realization of its tasks by that industry conditions to a large extent the fulfillment of the plans in other industries and branches of the economy.

In 1980 the ministry intends to realize 339.3 billion zlotys from the sale of domestic goods and services, which, within the context of the prices projected in the plan for 1980, assures an increase of 4.1 percent in comparison with 1979. The chemical industry's share of domestic production sold will be 10.8 percent.

The planned level of production in 1980 will be determined above all by supplies of fuel and energy (hard coal, high-methane natural gas, coke and electrical energy), because restrictions in the supplies of fuel and electrical energy, considering the uninterrupted operation of chemical installations, would cause so-called production drops, which are practically impossible to rectify.

The year 1980, the last in the five-year plan, must establish the jump-off positions for realizing the tasks of 1981-1985 which were set out for the chemical industry in the Resolution of the Eighth PZPR Congress. According to it:

--An important task of the chemical industry is the development of the production of high-quality modern goods, pharmaceuticals, paints and varnishes, cosmetics, organic dye-stuffs, herbicides, plastics and rubber products.

--The overall production of mineral fertilizers will expand, which, when the Police II plant goes into operation, will permit Polish agriculture to achieve a level of fertilization of 230-250 kg NPK per hectare of cropland.

--An important task will be to set up the conditions for the refining of 21-22 million tons of petroleum, as well as for its more detailed processing.

Further expansion of the chemical industry, fulfilling its role as the "provider" for the entire economy, will demand steady improvement in the utilization of our production potential, thanks to the intensification and modernization of the production processes, as well as to the improvement in the organization of labor.

In the plan for the current year, besides market and export supplies, priority has been given to providing for agriculture, as well as to realizing other models for the program of chemicalization.

Market Supplies

The value of market supplies in retail prices in 1980 will be 131.5 billion zlotys, or 12.5 billion zlotys more than in 1979. The growth rate for supplies of market commodities outpaces that for sales in the ministry, which is 4.1 percent. A certain negative impact upon market production will be exerted by a lack of raw materials from imports. The ministry is counteracting this phenomenon by increasing domestic production of many of the materials in short supply.

In 1980 there will be further improvement in the sales structure for market commodities. The share of deliveries of goods to supply the market from the chemical industry will total 9.5 percent, and for the nonfood supplies it will be 15.9 percent.

The deliveries of goods to supply the market from the Ministry of Chemical Industry, amounting to 110.5 percent in comparison with 1979, considerably outpaces the rate of growth of the total deliveries of market commodities, which is projected to be 105.2 percent of the figure for last year. We foresee that the market will be provided with new and modernized products worth 3.5 billion zlotys. That is 1.2 billion zlotys less than in 1979, but this is in accord with a general tendency to decrease the variety of products due to the cost of raising the quality of other articles now being produced.

Adequate supplies for mechanization are a fundamental problem in, among other things, tires and fuel. The supplies of fuel and tires for personal vehicles should satisfy domestic demands for these items this year.

Compared to last year, the supplies of tires for the means of transport, machines and appliances will increase by 8.4 percent, while for fuel for spark-ignition engines it will be 9.3 percent. We foresee improvement in the supply of liquid varnish products of 16.3 percent, of chemical products for agriculture of 7.1 percent, of cosmetics and perfumes of 7.3 percent, and of pharmaceuticals of 7.9 percent. There will be considerable growth in the supply of sought-after photochemical and magnetic materials of 17.2 percent.

Nevertheless, public demands for chemical commodities will not be fully met if the production capabilities of the chemical industry lag behind the ever growing demand for our industrial goods.

In the "clothing" program, carried out within the framework of the program to chemicalize the economy, we foresee an increase in the production potential of the chemical fiber industry, as well as its improved utilization. Compared to last year, this should bring an 8.2 percent rise in the production of chemical fibers, including a 7.8 percent rise in synthetic fibers. The production of chemical and synthetic fibers should grow by 7.3 percent and 6.9 percent, respectively, per capita.

For Agriculture...

An extremely essential role is played by the chemical industry in the modernization of food management, as well as in the intensification of farm production. Among other things, it supplies mineral fertilizers, herbicides, fodder supplements, and products made from plastics and rubber. In 1980 the chemical industry will satisfy the needs of agriculture in essential commodities.

The combined supplies of fertilizers, calculated in NPK, will be higher this year than last, which will permit us to reach a level of fertilization of 200 kg per hectare of cropland. The supplies of pesticides from balanced sources will be lower in comparison to last year, due to a reduction in the production of powder preparations for which the demand was considerably lower. The supplies of pharmaceutical compounds will also rise by 50 percent compared with last year, along with an increase of 36.4 percent in the fodder-urea produced domestically.

...and for Export

The overall value of the export of chemicals, in accordance with the assumptions of the plan, are supposed to be 13.7 percent higher than last year. The basic export goods will be petroleum products and sulfur.

The attainment of such a rate of export will be decided by ensuring that an adequate amount of goods is made available for foreign trade, especially items requiring a high degree of processing: dyestuffs, pharmaceuticals and organic products. This is an extremely difficult task considering the ever growing domestic demand for chemical products, as well as the rising prices of petroleum and other chemical raw materials.

In 1980 there will be a further increase in demands for import raw materials from the countries of the second payments area, as a result of an increase in the domestic production of tires, pharmaceuticals, varnish products, conveyor belts and phosphates. Ensuring imported raw materials for the production of these articles will require the undertaking of many ventures in the industry within the framework of carrying out a program for rationalizing imports by the Ministry of Chemical Industry. For this reason as well, the federations and plants should rigorously enforce the execution of the program for initiating new products--in close cooperation with the scientific-research facilities of the ministry.

Improvement in Management Efficiency

One of the basic assumptions of the plan for this year is the payment of close attention to increasing management efficiency. Extremely critical in this area will be the full utilization of the potential of the production plants and the qualifications and worktime of the employees, as well as of the raw materials, other materials and energy. Utilizing the financial resources of the enterprises and the federations, we foresee in the current year and also in the coming years, investment-free transaction of a number of undertakings in intensification and modernization, which are not without effect upon the realization of the ministerial program for rationalizing imports.

Work is systematically being carried out to improve the quality of chemical products by limiting the number of varieties of certain products, as well as by the automating of production processes. These goals are also served by reviewing the technology. The suggestions of the rationalization teams that have not yet been carried out will be subjected to successive evaluation and inspection.

The ministry has earmarked approximately 27 billion zlotys for investment activity for the year 1980. In applying cut-backs in comparison with last year, it is assumed that these will not touch investments providing growth to our production capacity.

Within the framework of admitted limitations, the full requisite outlays for investments made in 1980 have been assured; in particular for the PVC complex in Wloclawek. Substantial quotas have been earmarked for investments important to the national economy, especially for the nitrogen-phosphate complex in the ZCh Police [Chemical Plant].

Among the basic investments begun in 1980 should be listed: the PVC and chlorine works at the ZA Wloclawek [Nitrogen Plant], the production flow-line under license at the Warsaw Photochemical Plant, assumption of the production of recycled conveyor belts in the ZPG Belchatow [Rubber Processing Plant ?].

As a result of the investments realized in 1980, we will achieve an increase in our production capacity in the amount of 10.6 billion zlotys. It is worth adding that the ministry earmarked around 975 million zlotys for the construction of housing for employees. The realization of these tasks will bring an increase or around 112,000 m² of usable living space.

Difficult tasks face the chemical industry in the area of the rationalization of employment. The attainment of the planned figures for 1980 will require economizing in the employment of work crews for the newly begun objectives by 3,500 people, as well as 1,700 people in connection with the execution of the resolutions of the Council of Ministers concerning the increase in production of tires and drugs, and in special production.

Carrying out the tasks of the last year of the five-year plan poses increased demands for all the employees of the chemical industry. Therefore the help of local agencies of the government and administration is extremely valuable and

necessary in, among other things, improving the living and social conditions of the workers, housing construction, and in organizing a basis for athletics, culture and recreation.

The closer cooperation of local authorities with management and with the active members of the enterprises is essential, as is assistance in mutual contacts and collaboration for the enterprises in the same or related sub-branches that exist in the same sphere.

These steps should bring advantages both to the individual provinces, cities and rural parishes and to the industrial plants. All initiatives raised on the local level aimed at increasing management efficiency constitute valuable assistance in the current operation of the industrial plants.

3190

CSO: 2600

PROVISIONAL THREE-MONTH BUDGET DRAWN UP FOR 1981

Warsaw DZIENNIK USTAW in Polish No 27, 29 Dec 80 Item 112 pp 291-94

[Law dated 19 December 1980, on the temporary budgetary measure for 1981]

[Text] Article 1. 1. A temporary budgetary measure for the central budget is established for the period from 1 January to 31 March 1981.

2. The Council of Ministers is authorized within the realm of the central budget to make budgetary expenditures in the period from 1 January to 31 March 1981 up to the amount of 363,000 million zlotys.

3. The expenditures mentioned in paragraph 2 will be met out of budget income amounting to 290,000 million zlotys, and the rest will be covered with budgetary resources accumulated in the Polish National Bank.

4. The Minister of Finance will divide the budget expenditures and income mentioned in Paragraphs 2 and 3 into parts.

Article 2. 1. The following are established as comprehensive voivodship budgets for 1981:

shares of central budget income established as a percentage of the value of retail sales and services of the socialized commercial and service units included in the central and local plans amounting to 151,291,721 thousand zlotys
investment subsidies amounting to 35,170,700 thousand zlotys
special-purpose subsidies amounting to 28,561,125 thousand zlotys
compensatory subsidies amounting to 11,250,095 thousand zlotys,
in keeping with the appendix to the law, hereinafter referred to as "the appendix."

2. The Minister of Finance will establish the principles for calculating the shares and transferring central budget subsidies discussed in Paragraph 1, in the period from 1 January to 31 March 1981, and will set the size of the percentage of the shares by 31 March 1981.

Article 3. 1. By 31 December 1980 the voivodships will present the people's national councils with unit and comprehensive draft budgets of the voivodships.

2. The voivodships will establish the deadlines by which the territorial bodies of the basic-level state administration are to present draft budgets to the people's councils.

3. The territorial bodies of the state administration at the basic level will develop the draft budgets by 31 December 1980.

Article 4. 1. By 31 January 1981 the people's councils will approve the territorial budgets for 1981, applying the distribution of income and expenditures by sections and divisions in the realm of unit budgets.

2. The amounts specified in the appendix are binding for the voivodship people's councils' approval of comprehensive budgets of the voivodships.

3. The amounts of investment subsidies, appropriated subsidies, and compensatory subsidies, of the local budgets' own income shares, and the amounts of compensatory payments stemming from the budget decrees of the voivodship people's councils are binding for the approval of basic-level territorial budgets.

4. In the territorial budgets which have been approved, the expenditures may also be met by the budget surplus from past years and part of the anticipated budget surplus from 1980, in keeping with the regulation of Article 7, Paragraph 1.

Article 5. 1. Within the comprehensive budget of the voivodship will be created a budget reserve for unexpected expenditures, amounting to 0.5 percent of the amount of current expenditures.

2. Within the limits of the reserve discussed in Paragraph 1, the voivodship people's council will establish the size of the reserve for various budgets included in the voivodship's comprehensive budget, except that the size of the reserve for a unit budget of the voivodship may not be increased by more than 0.5 percent of the current expenditures of that budget, at the cost of reducing the size of the reserves of other unit budgets.

Article 6. 1. The following are the territorial budgets' own reserves:

- 1) payments of enterprises subordinated to people's councils and of cooperative units included in the territorial plan, except for the tax on the payroll fund and other payments, which by virtue of tax regulations and those concerning the principles of the financial economy of enterprises and cooperative units, represent income of the central budget.

- 2) payments for allowances and services performed by budget-financed units subordinate to the people's councils and administrative or property-related income collected by those units and offices of the territorial bodies of the state administration, except for payments in hard currency for services rendered to foreigners by public health establishments and the income from the sale of deposits which are administered by the Polish National Bank and represents the income of the central budget.
 - 3) payments of budget-financed establishments, subsidiary economic units, and budget-financed units subordinate to the people's councils, in the realm of financial activity in the form of special resources,
 - 4) income from fines and penalties from court cases concerning offenses and misdemeanors, in criminal treasury cases, and in various administrative cases, in which the bodies handing down the decisions are territorial bodies of the state administration or are voivodship commissions (town commissions in towns with the rank of voivodship) handing down decisions concerning cases of the violation of budgetary discipline.
2. Alongside the income mentioned in Paragraph 1, the following are the fundamental-level territorial budgets' own income:
- 1) land tax, except the part subject to transfer to the Agricultural Development Fund,
 - 2) payments on behalf of the State (Agricultural) Land Fund and fees for the following: reclamation, installation of electricity, and the construction of water-supply systems,
 - 3) turnover and income taxes from physical parties and from legal parties which are not units of the socialized economy, except for taxes from physical and legal parties with a foreign headquarters or residence conducting economic activity on the basis of permission granted by supreme and central bodies of the state administration or those which obtain other income in the territory of the Polish People's Republic,
 - 4) taxes of the following sort: taxes on earnings, compensatory taxes, inheritance and gift taxes, and taxes and fees collected on the basis of regulations concerning certain local fees and taxes,
 - 5) treasury fees,
 - 6) other fees, besides those mentioned in points 2, 4, and 5, and in Paragraph 1, point 2, collected by organizational units subordinate to the basic-level people's councils and by offices of local bodies of the state administration at the basic level,

- 7) income tax from cooperative banks,
- 8) integrated tax on agricultural circles, cooperatives of agricultural circles and other organizational units in the Central Union of Agricultural Circles and from agricultural producer cooperatives in the Central Union of Agricultural Producer Cooperatives,
- 9) taxes on other social organizations besides cooperative units and agricultural circles, except for the payroll fund tax,
- 10) payments collected from other companies and unions of them,
- 11) income from the repayment of back taxes and equivalent debts, if they represented the income of territorial budgets before they were cancelled; this income is treated as income above and beyond planned income.

3. Besides the income mentioned in Paragraph 1, the following is considered the voivodship unit budgets' own income:

- 1) central budget income shares determined as a percentage of the value of retail sales and services of socialized commercial and service units included in the central and territorial plans, up to 101 percent of the income therefrom, as specified in the appendix,
 - 2) payments of general savings banks up to the amount specified by the Minister of Finance, as a percentage of total savings deposits,
 - 3) turnover tax on enterprises running lotteries and clearing accounts with local budgets,
 - 4) other fees, besides those mentioned in Paragraph 1, point 2, which are collected by organizational units subordinate to voivodship people's councils and by offices of territorial bodies of the state administration at the voivodship level.
4. The voivodship people's council can establish the shares of the basic-level territorial budgets included in the voivodship's comprehensive budget, in the income items mentioned in Paragraph 3, points 1-3.
5. In cities with the rank of voivodship, if the collection of certain income is concentrated in one district office, the people's council of that city may establish the shares of that income for the budgets of other districts or the unit budget of the voivodship-rank city.

Article 7. 1. From the territorial budget's surplus in 1980:

- 1) unutilized special-purpose subsidies are cleared with the central budget,

- 2) unused investment subsidies are transferred to the investment fund accounts,
- 3) a deduction is made for the territorial reserve fund, in the amount of one-quarter of the income realized over and above the plan, with the restriction of the regulation of Article 8, Paragraph 1.

2. The people's councils dispose of the territorial budget's surplus, after the clearings and deductions discussed in Paragraph 1 are made, and they allocate this surplus to finance additional current economic, social, and cultural needs and other current territorial needs, and also for the additional financing of capital repairs and to support social volunteer projects.

Article 8. 1. The territorial reserve fund may not exceed 5 percent of the planned current expenditures of the territorial budget.

2. The territorial reserve fund may be allocated for the following:

- 1) first supply of turnover assets in circulation of enterprises subordinate to the people's councils and construction-repair establishments (teams), and cover for these units' shortages of assets in circulation,
- 2) extension of repayable banking allowances to budget-financed establishments,
- 3) cover for a unit territorial budget's shortage at the end of the year.

The voivodship's reserve fund may also be allocated to grant during the year repayable banking allowances to basic-level territorial budgets and to cover shortages in these budgets, if they cannot be covered out of their reserve funds.

3. The appropriate people's council makes the determination to allocate the territorial reserve fund to cover budget shortages and for the purposes listed in Paragraph 2, point 1, and the territorial body of the state administration makes the determination to use this fund for repayable banking allowances.

Article 9. The people's council determines the scope and deadline for the territorial body of the state administration to tender information on changes in the budget.

Article 10. In the course of carrying out the budget, the people's councils will make changes stemming from the budget law for 1981 ratified by the Sejm.

Article 11. 1. The regulations of the law concerning:

- 1) the voivodship people's councils also apply to the people's councils of voivodship-rank cities,
- 2) the voivodship chairmen also apply to the presidents of voivodship-rank cities.

2. Wherever in the law there is mention of basic-level territorial budgets, this is to mean the budgets of cities, city districts, and gminas (rural parishes) (towns and gminas).

Article 12. Within the period that the provisional budget measure is in effect, the following will not apply: Article 5, Paragraph 2 in the realm of territorial budgets, Articles 16-21, Article 39, Paragraph 4; Article 40, Paragraphs 1 and 2; Article 42, Article 43, Paragraph 1, point 2 in the realm of the division of the territorial budget into parts; Article 43, Paragraph 2; Article 57, Article 58, Paragraph 1; Article 59, Paragraph 1; Article 61, Article 63, Article 67, Paragraph 1, in the realm of transferring credits from one part to another; Article 67, Paragraph 2, and Articles 75-78 of the law dated 25 November 1970: Budgetary Law (DZIENNIK USTAW No 29, Item 244).

Article 13. During the period that the provisional budget measure is in effect, the regulations of Article 21 of the budget law for 1980, dated 21 December 1979 (DZIENNIK USTAW No 28, Item 162) will remain in effect.

Article 14. The law becomes effective as of 1 January 1981, except for Article 3, which goes into effect the day of promulgation.

Chairman of the Council of State: H. Jablonski
Secretary of the Council of State: E. Duda

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Appendix to the Law on the Provisionary Budget Measure for 1981, Item 12

Central Budget Shares and Subsidies for Local Budgets

(in thousands of zlotys)

Voivodship	Share of central budget income*	Investment subsidies	Special subsidies	Compensatory subsidies
A	B	C	D	E
Warsaw (capital)	2,311.099	1,150.300	2,795.455	959.480
Biala Podlaska	1,289.203	484.500	181.835	82.925
Bialystok	2,170.428	788.600	467.043	210.350
Bielsk	2,687.493	403.500	586.927	217.935
Bydgoszcz	4,030.604	1,120.300	790.632	500.595
Chełm	1,336.543	452.300	162.581	82.640
Ciechanów	1,676.543	599.000	224.685	115.350
Częstochowa	2,377.127	230.300	550.498	194.400
Elbląg	2,441.459	574.800	308.029	161.495
Gdańsk	1,378.168	1,104.400	1,147.946	426.390
Gorzów	2,684.145	488.500	324.226	175.200
Jelenia Góra	2,974.583	388.300	403.051	195.180
Kalisz	2,141.132	531.100	433.215	167.310
Katowice	13,169.080	1,580.200	3,444.809	1,043.280
Kielce	4,181.652	725.000	778.438	297.670
Konin	1,573.754	533.300	255.757	106.805
Koszalin	2,471.532	803.100	314.613	169.640
City of Kraków	1,700.665	385.800	1,067.880	412.950
Krosno	1,905.399	642.300	299.953	126.585
Legnica	2,222.869	506.100	343.789	150.355
Leszcyżn	1,300.929	572.700	235.602	98.380
Lublin	2,783.415	1,224.400	855.963	274.335
Łomża	1,441.162	503.700	184.749	95.710
City of Łódź	1,397.876	693.800	1,518.370	415.415
Nowy Sąd	2,397.553	327.500	414.093	171.880
Olsztyn	1,548.022	1,015.500	479.280	238.350
Opole	4,434.491	439.700	716.774	312.600
Ostrołęka	1,484.332	510.500	183.489	100.635
Pile	1,914.462	727.900	252.461	129.445
Piotrków	2,218.521	808.300	391.047	157.300
Płock	1,934.363	429.500	332.113	140.480
Poznań	1,030.458	1,171.900	1,042.175	405.700
Przemysł	1,846.121	490.600	231.998	117.410
Radom	2,256.872	763.300	453.521	179.495
Rzeszów	2,950.252	512.300	470.083	196.705
Siedlce	1,857.418	419.400	315.165	130.485
Sieradz	1,648.522	502.900	257.930	109.345
Skierniewice	1,389.154	363.100	262.055	103.475
Ślupsk	1,851.420	422.000	279.994	130.250

Central Budget Shares and Subsidies for Local Budgets (continued)

Voivodship	Share of central budget income*	Investment subsidies	Special subsidies	Compensatory subsidies
A	B	C	D	E
Suwalki	2,157,104	574,500	257,129	139,343
Szczecin	4,988,342	760,900	733,325	347,245
Tarnobrzeg	2,063,416	521,900	312,630	140,860
Tarnow	2,133,431	389,100	403,791	158,143
Torun	2,498,219	366,800	418,129	177,405
Walbrzych	4,168,766	367,900	646,618	275,380
Wloclaw	1,672,183	517,100	273,919	119,720
Wroclaw	5,813,368	1,088,900	1,072,988	427,455
Zamosc	2,123,444	734,400	272,883	141,090
Zielona Gora	3,214,520	643,400	429,311	212,120
TOTAL	131,291,721	35,170,700	28,561,123	11,250,095

*Established as a percentage of the value of retail sales and services of socialized trade and service units included in the central and local plans

INCREASED INCOME FOR AGRICULTURAL PRODUCTION COOPERATIVE MEMBERS

Bucharest BULETINUL OFICIAL in Romanian Part I No 1, 7 Jan 81 pp 1-7

[Council of State Decree No 432/1980 on Increasing the Guaranteed Income in Cooperativized Agricultural Units, in the Framework of Stage II Stipulated for the 1976-1980 Five-Year Plan]

[Excerpts] According to the provisions of the program for increasing retribution and other income and for improving the standard of living of the population in the 1976-1980 five-year plan, the members of the agricultural production cooperatives will receive a guaranteed income increase of 24-28 percent by the end of the five-year plan. In the first stage, in 1978, there was a 12.7-16.3 percent increase in the guaranteed income. With a view to the full application, for members of the agricultural production cooperatives of the provisions of the program on the improvement of the standard of living, the Council of State of the Socialist Republic of Romania decrees:

Article 1--Beginning 1 September 1980, the guaranteed income is increased, in the framework of Stage II, by 10.0-12.5 percent for members of agricultural production cooperatives who work directly in production and by 9.3-11.6 percent for those who carry out functions of management and technical, economic, and administrative work as well as for cooperative members skilled in the trades of driver, road tractor operator, locksmith, electrician, and others.

Article 2--The levels of guaranteed income and the remuneration per unit of product, increased in Stage II, are stipulated in annexes 1 and 2 of the present decree, which replace annexes 3 and 4 of Law No 27/1976 on the remuneration of labor in the cooperativized agricultural units.

Article 3--The guaranteed incomes of 1,500 lei, 1,200 lei, and 40 lei stipulated in Article 56, paragraph (1) of Law No 27/1976 are replaced by 1,650 lei, 1,350 lei and 44 lei, respectively.

Article 4--The agricultural production cooperatives and the inter-cooperative economic associations of an agricultural nature will take all possible measures for the continued reduction of production expenses and of manpower consumption as well as for the superior utilization of the production obtained so as to insure the necessary funds for providing the guaranteed income at the level specified in the present decree.

CSO: 2700

PROBLEMS IN GENERALIZING USE OF MICROHYDROELECTRIC POWER PLANTS

Bucharest FLACARA in Romanian 29 Jan 81 p 8

["Microhydroelectric Power Plants: The Enthusiasm Must Be Organized"; interview with Eng Ion Leustean, director of the Institute for Hydroenergetics Studies and Designs (ISPH), in Bucharest, and with engineers Ion Negoescu and Ilie Nastase, of the Ministry of the Machine Building Industry, by Oprea Georgescu]

[Excerpts] Comrade Eng Ion Leustean, you are the director of the ISPH in Bucharest where the country's large hydroelectric power plants have been designed. Please tell us something about microhydroelectric power plants, a subject of great importance today.

Answer: The concept of hydroenergetics potential has two aspects: available economic potential and available technical potential. With the outbreak of the energy crisis, as a result of the increasing costs of conventional fuels, the available economic potential increased. In time, the entire available technical potential will have to be utilized and this is possible only with the use of microhydroelectric power plants.

Question: What is the position of microhydroelectric power plants in the national investment effort, in the national technical effort for achieving every unit of energy possible? What has been done so far and what are the tasks of the institute for the future?

Answer: Once the turbines and current generators have been put in place, the institute designs the construction side: setting up, feeding and coordinating the installation as well as technical assistance. This month we will publish an album of model solutions for microhydroelectric power plants which will serve as a guide for design activity. The Ministry of Electric Power utilizes microhydroelectric power plants which can be connected to the national system. Isolated microhydroelectric power plants will belong to the beneficiaries which produce them. A microhydroelectric power plant is an investment which can be produced in the framework of the law on investments, on the basis of a plan and with all the legal approvals. Its utilization requires collective, organized action.

Question: The press often cites the achievements of citizens or groups of citizens who are utilizing microhydroelectric power plants.

Answer: This is good if the enthusiasm is organized and has a technical base. The functions of the river, upstream and downstream from the hydroelectric power plant, must be affected only within the admissible limits.

Question: Is the program on setting up hydrographic basins well-known?

Answer: We have sent the county peoples councils excerpts from this program. A competent technical inventory of the possibilities for the placement of future microhydroelectric power plants should be made in the immediate future.

Question: Who should do this?

Answer: Specialists from the peoples councils and from the county design institutes have worked alongside us in our institute and have learned how to design microhydroelectric power plants. Specialists should be trained in each county since the counties will be the principal beneficiaries of the microhydroelectric power plants.

Question: How many microhydroelectric power plants will be constructed in 1981?

Answer: Some 101, spread around in a number of counties. At this stage we have tried to place them near existing waterfalls. In the Bucharest area, the microhydroelectric power plants will be constructed near the Herestrau, Pantelimon and Floreasca waterfalls.

Question: What are the important problems which must be resolved so that the microhydroelectric power plants will be put into operation as rapidly as possible, replacing other sources of energy?

Answer: The providing of specialists to counties with hydropower potential which can be utilized with the aid of the respective plants. The reduction of the price of aggregates and devices for regulating revolutions and tension. The specialization of units which would plan and execute such investments. The problems of design are, for the most part, resolved. Of course, one cannot rule out further improvements.

Interviewer: The second part of our documentation takes place at the Ministry of the Machine Building Industry's technical directorate. Engineers Ion Negoescu and Ilie Nastase will tell us about microhydroaggregates.

Question: Microhydroelectric power plants will be executed on the basis of collaboration among the Ministry of Electric Power, the peoples councils and the Ministry of the Machine Building Industry. What is the role of the Ministry of the Machine Building Industry and what has it done so far?

Answer: Our task has been to provide a range of microhydroaggregates capable of taking care of the entire hydro potential of falls and flows. We have perfected 3 families of diversified microhydroaggregates in 11 standard dimensions; they have been designed and put into production. As soon as we receive a firm order and when there is a plan and open financing we proceed to manufacture and delivery.

Question: How many microhydroaggregates have you delivered so far?

Answer: We have only four firm orders for 1981: If the law on contracts were observed...

Question: I understand that although the Ministry of the Machine Building Industry is prepared to deliver the microhydroaggregates, you cannot proceed to series production because of a lack of orders. Does this affect the cost price?

Answer: We receive the legal profit for these aggregates. When we move on from single to series production, their price will fall.

Question: I have learned from my discussion with you that in order to produce a microhydroelectric power plant, there must be an order, a design approved by the ISPH, the general coordinator, and financing conditions. Haven't I forgotten private individuals with initiative who live in isolated places who can construct a microhydroelectric power plant by their own means?

Answer: We have thought about all possibilities. Our turbine has broad utilization and responds to all terrain conditions. We should mention the Banki type turbine produced by the Timiscara "Electromotor" plant, conceived especially for isolated consumers.

Question: Comrade Engineer Ilie Nastase, you work in the forecasting department of the ministry. In this capacity what can you tell us about concerns on the agenda?

Answer: Microhydroaggregates are energetics equipment. The long-range program is part of the program for the development of energetics equipment which has a priority nature. In 1985, as a result of new sources of energy, in accordance with the tasks of the 12th party congress, we will save 2.5-3 million tons of conventional fuel. This is necessary so that our country will become independent from an energy point of view in 1990. As of now, only one-quarter of the hydro-energetics potential of the country is harnessed. The entire hydroenergetics potential cannot be harnessed without the contribution of the microhydroelectric power plants. The Ministry of the Machine Building Industry has taken all necessary measures and is prepared to handle the orders for microhydroaggregates.

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BRIEFS

NEW MINING ENTERPRISE--The Council of State of the Socialist Republic of Romania decrees that, as of 1 January 1981, the Mehedinti mining enterprise is established with headquarters in Drobeta-Turnu Severin Municipality, subordinate to the Oltenia mining combine, under the direction and control of the Ministry of Mines, Petroleum and Geology, having the following as the purpose of its activity: the extraction of brown coal, the execution of operations for opening mines and pilot mines, the execution of geological, hydrogeological and drainage work; the execution of current repairs and maintenance of equipment; the providing of transportation and services. The Mehedinti mining enterprise is the beneficiary and general contractor for mining projects for the extraction of coal on the territory of Mehedinti county. In exercising its functions, the Mehedinti mining enterprise is responsible for drawing up technical-economic documents for investment projects, for contracting for and procuring equipment, installations, and technological apparatus, and for constructions; it assures the training of the necessary labor force. The Mehedinti mining enterprise belongs to special organizational level Group II for branches and gives the mining workers level B of remuneration for the underground and surface mining systems, respectively, in accordance with the provisions of the Law on Remuneration according to Quantity and Quality of Work No 57/1974. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 124, 31 Dec 80 pp 2, 3]

CSO: 2700

BRIEFS

MONTENEGRIN-ALBANIAN TRADE--The recent visit of several days to Albania by a delegation from the Economic Chamber of Montenegro to hold discussions in the chamber of trade and in other institutions and enterprises of this neighboring country, showed that economic cooperation between Yugoslavia and Albania is developing successfully, but that trade possibilities are not being adequately used. In 1980 trade between Yugoslavia and Albania was valued at \$125 million, or 50 percent more than planned, placing Yugoslavia among the countries with which Albania has the largest trade volume. Montenegro's share in this trade is significant. In 1979 this republic exported over 47 million dinars worth of goods to Albania and imported about 32 million dinars worth. In the first 10 months of 1980 exports from Montenegro rose to 60.5 million dinars, while imports amounted to 110 million dinars. Products exported from Montenegro include refrigerators, edible oils, cold-rolled strips, and smaller amounts of other products. Imported items largely include electric power, liquid bitumen, and consumer goods. Albanian business people are interested in importing freezers, various kinds of steel, aluminum foil, leather clothing, shoes and clothing, construction machinery, and other goods produced in Montenegro. The delegation also discussed the possibilities of opening up air connections between Belgrade, Titograd, and Tirana, as well as a ship line between Bar and Durres and a bus line between Titograd and Skadar; also discussed was the forthcoming construction of the Titograd-Skadar rail line. Significant attention was also given to cooperation in water management, i.e., regulating the Bojana and Drim rivers and Lake Skadar, as a result of which a significant amount of arable land would be acquired which is now flooded by unregulated lake water. By channeling the course of the Drim and building a low levee around part of Lake Skadar, the two countries would acquire about 20,000 hectares of very fertile land capable of producing two annual harvests. In addition, the Titograd enterprise, "Industrijaimport," which will soon open an office in Tirana, has undertaken to work out a one-year and a five-year program of economic and other cooperation between Montenegro and Albania with the participation of the economic chambers of Montenegro and Albania. [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 23 Jan 81 p 3]

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